

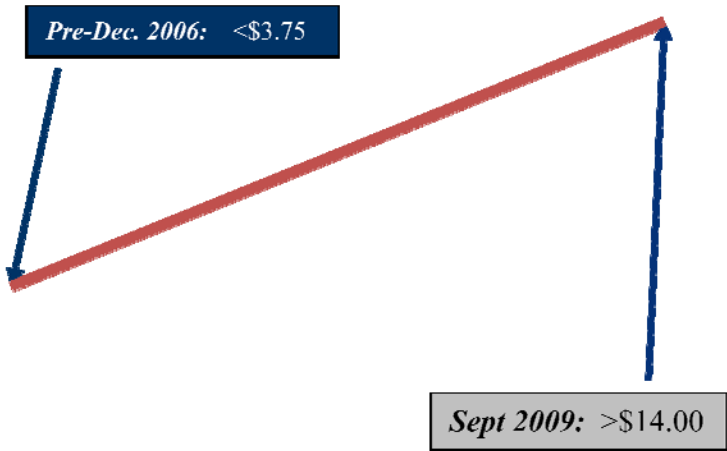
Case Study:	Argan, Inc. (AMEX:AGX) Acquisitions
Acquisitions:	Gemma Power, Inc. & Southern Maryland Cable, Inc.
Deal Size:	>\$25 Million & >\$5 Million
Role:	Sell-Side Advisor
Closed:	December 2006



First Mergers Group acted as the exclusive financial advisor to the members of Gemma Power Systems, LLC in their sale to Argan, Inc. The transaction closed in December of 2006 and consisted of approximately 50% stock in Argan and 50% cash. First Mergers also served as the advisor to Southern Maryland Cable, Inc in its sale to Argan, Inc.

The Gemma members received a liquidity event at closing and were able to participate in the substantial upside that the public markets could provide them as illustrated in the graph below.

AGX Stock Performance



The acquisition of Gemma by Argan proved to be extremely beneficial with Gemma now accounting for 92% of Argan’s revenues of \$258 million (run rate).

Argan, Inc. (AMEX: AGX) Market Cap Improvement		
	<u>Pre-Dec. 2006</u>	<u>Sept. 2009</u>
Market Cap (\$mil)	<\$30	>\$200

Gemma Power Systems LLC (www.gemmapower.com), is a leading power plant designer and builder with expertise in engineering, design, procurement and construction. The company has a solid success record not only in developing traditional energy plants but also in creating facilities for the rapidly growing alternative fuel industry, including biodiesel, ethanol, and other renewable energy sources. Argan Inc.’s merger with Gemma was completed December 2006.



Southern Maryland Cable, Inc. (www.smcinc.biz), provides inside premise wiring services to the federal government including military installations and government office sites requiring high-level security clearance. The company also provides underground and aerial construction services and splicing to major telecommunications and utilities customers.