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Capstone Green Energy Corporation (NASDAQ:CGRN) Outlines Its Ongoing Hydrogen Development Program and Pursuit of External Funding Opportunities

Estimated Annual Carbon and Financial Savings Featured on NASDAQ Marquee

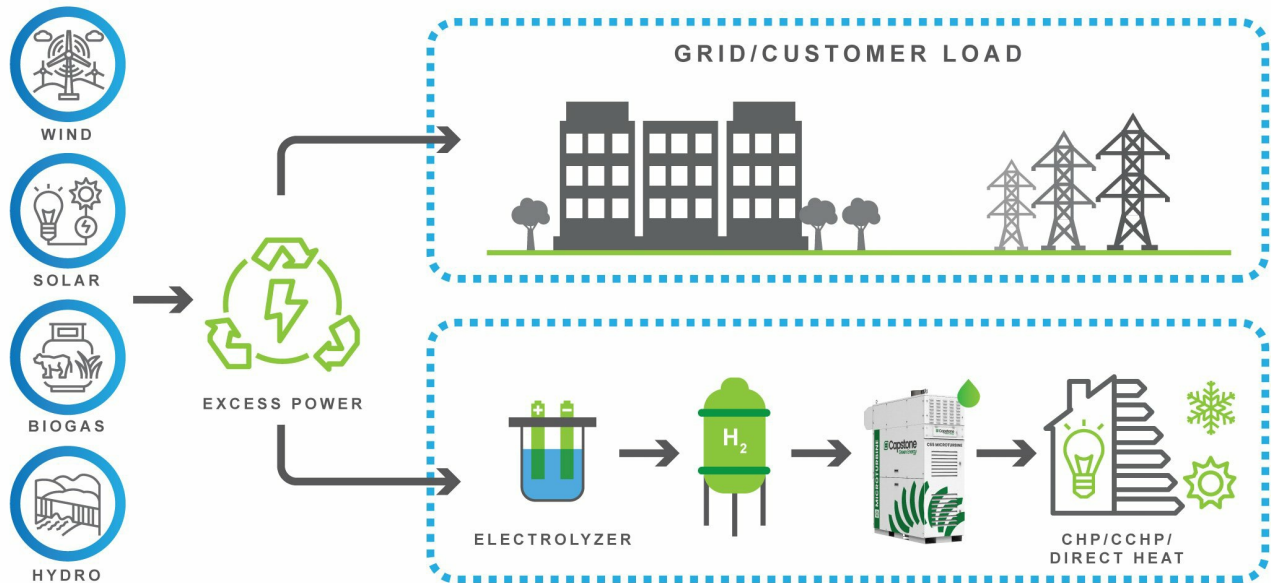
VAN NUYS, CA / ACCESSWIRE / April 26, 2021 /Capstone Green Energy Corporation (www.CapstoneGreenEnergy.com) (NASDAQ:CGRN) formerly Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ:CPST) ("Capstone" or the "Company"), a global partner in carbon reduction and on-site resilient green energy solutions, today outlined its ongoing organic hydrogen product development goals and recent pursuit of external research and development funding via multiple government cost share programs. This new focus and initiative are driven by momentum in the hydrogen economy that is advancing a broad range of technologies as well as longer-term infrastructure planning.

Through long-standing federal, university, and international research partnerships, Capstone Green Energy has developed patented technology for the use of hydrogen, and works closely with these agencies in its determination to provide smarter energy solutions for a cleaner energy future.

"We continue to explore the ever-changing energy landscape for complementary partners, technologies, and applications that enable carbon reduction goals to be achieved. Hydrogen product development, hydrogen conversion technologies, hybrid systems, microgrids, and thermal storage are all energy areas that Capstone is currently pursuing," said Capstone Green Energy Chief Executive Officer, Darren Jamison.

Hydrogen Background

Hydrogen is not naturally abundant and therefore must be created directly, or as a byproduct of another process. The predominant method that accounts for nearly all commercially produced hydrogen is steam reforming of natural gas. This is commonly referred to as Grey Hydrogen and involves significant carbon emissions. Blue Hydrogen is formed the same way, but the produced carbon is captured and sequestered. The long-term promising method for producing hydrogen is electrolysis, which is splitting the hydrogen out of water, commonly called Green Hydrogen. Green Hydrogen is created by power generated from carbon-free energy resources such as wind, solar or maybe even small modular nuclear reactors.



Green Hydrogen Development

Green hydrogen is experiencing a global resurgence and has been identified as a clean energy source that could bring the world to net-zero emissions in the coming decades. The Biden administration is promising that the U.S. will be able to access Green Hydrogen at the same cost as conventional hydrogen within a decade as part of the President's proposed Clean Energy Plan. Several countries around the world are ahead of the U.S. in developing Green Hydrogen technologies including Germany, Japan, Saudi Arabia, Chile and Australia.

Capstone Blended Hydrogen Product

Capstone Green Energy is continuing to expand and develop its new Hydrogen Solutions business line. The Company recently released its first commercially available hydrogen-based Combined Heat and Power (CHP) product, which can safely run on a 10% hydrogen - 90% natural gas mix, and the Company is targeting a commercial release of 30% hydrogen - 70% natural gas mix product by March 31, 2022. Through its Research and Development partnership with Argonne National Laboratory, the Company is currently testing a 70% hydrogen - 30% natural gas configuration. Argonne National Laboratory is a national science and technology research laboratory operated by the University of Chicago Argonne LLC for the United States Department of Energy. The nation's first national laboratory, Argonne conducts leading-edge basic and applied scientific research in virtually every scientific discipline.

Don Ayers, Senior Director of Engineering and Quality at Capstone Green Energy stated: "Natural gas utilities around the world are looking at blending hydrogen into pipelines, not just to fuel power plants or industrial processes, but also to serve homes and businesses. While early-stage tests are keeping hydrogen concentrations below 20 percent, several utilities hope to carry 100 percent hydrogen in future years as part of the emphasis on finding green replacements for fuel supplies as well as electricity."

Capstone 100% Hydrogen Product

In addition to its current organic research and development efforts, Capstone Green Energy stated today that it is aggressively pursuing additional funding opportunities announced by the Department of Energy, state agencies, utilities, and with its industry and academia alliances. Such external additional funding would further augment Capstone's existing internal Research and Development efforts. It would also provide the springboard to accelerate development efforts to commercialize the Company's patented hydrogen fuel injector and hydrogen combustion technology as an efficient, reliable, safe, and carbon-free power generation solution.

"As a distributed energy solution leader, the Capstone Green Energy products can be located adjacent to the hydrogen generation source, reducing the efficiency losses and costs that come with converting and transporting hydrogen gas. Combined with proposed hydrogen production and efficiency investment tax credits, the Capstone on-site solution becomes a low cost, quick to market, best-value option enabling customers to greatly reduce or even eliminate their carbon emissions," concluded Mr. Ayers.

"Today, Green Hydrogen is believed by many to be the holy grail of carbon-free baseload power generation. If it can be made economically, and if it's infrastructurally feasible, hydrogen-fueled CHP could revolutionize the energy industry," added Mr. Jamison. "The idea is not new, as hydrogen was initially touted in the U.S. during President George W. Bush's first term, when it was nicknamed the 'freedom fuel.'"

In addition, the Company also announced today that on April 22, 2021, in honor of Earth Day, the NASDAQ Stock Market congratulated Capstone Green Energy on providing customers with an estimated total savings of \$698 million in annual energy costs and carbon reductions of approximately 1,115,100 tons in just the last three years of its 20-year history. NASDAQ has been providing easier ways to manage ESG-related data and disclosures as well as providing advisory solutions that pairs companies with consultative ESG expertise to help companies analyze, assess and action best-practices ESG programs with the goals of attracting long-term capital and enhancing value.



Capstone Green Energy Corporation: *Smarter Energy for a Cleaner Future.*

About Capstone Green Energy

Capstone Green Energy (www.CapstoneGreenEnergy.com) (NASDAQ: CGRN) is a leading provider of customized microgrid solutions and on-site energy technology systems focused on helping customers around the globe meet their environmental, energy savings, and resiliency goals. Capstone Green Energy focuses on four key business lines. Through its Energy as a Service (EaaS) business, it offers rental solutions utilizing its microturbine energy systems and battery storage systems, comprehensive Factory Protection Plan (FPP) service contracts that guarantee life-cycle costs, as well as aftermarket parts. Energy Conversion Products are driven by the Company's industry-leading, highly efficient, low-emission, resilient microturbine energy systems offering scalable solutions in addition to a broad range of customer-tailored solutions, including hybrid energy systems and larger frame industrial turbines. The Energy Storage Products business line designs and installs microgrid storage systems creating customized solutions using a combination of battery technologies and monitoring software. Through Hydrogen Energy Solutions, Capstone Green Energy offers customers a variety of hydrogen products, including the Company's microturbine energy systems.

For customers with limited capital or short-term needs, Capstone offers rental systems; for more information, contact: rentals@CGRNenergy.com. To date, Capstone has shipped over 10,000 units to 83 countries and in FY21, and estimates it saved customers over \$217 million in annual energy costs and approximately 397,000 tons of carbon. Total savings over the last three years are estimated at 1,115,100 tons of carbon and \$698 million in annual energy savings.

For more information about the Company, please visit: www.CapstoneGreenEnergy.com. Follow Capstone Green Energy on [Twitter](#), [LinkedIn](#), [Instagram](#), [Facebook](#), and [YouTube](#).

Cautionary Note Regarding Forward-Looking Statements

This release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including statements regarding expectations for green initiatives and execution on the Company's growth strategy and other statements regarding the Company's expectations, beliefs, plans, intentions, and strategies. The Company has tried to identify these forward-looking statements by using words such as "expect," "anticipate," "believe," "could," "should," "estimate," "intend," "may," "will," "plan," "goal" and similar terms and phrases, but such words, terms and phrases are not the exclusive means of identifying such statements. Actual results, performance and achievements could differ materially from those expressed in, or implied by, these forward-looking statements due to a variety of risks, uncertainties and other factors, including, but not limited to, the following: the ongoing effects of the COVID-19 pandemic; the availability of credit and compliance with the agreements governing the Company's indebtedness; the Company's ability to develop new products and enhance existing products; product quality issues, including the adequacy of reserves therefor and warranty cost exposure; intense competition; financial performance of the oil and natural gas industry and other general business, industry and economic conditions; the Company's ability to adequately protect its intellectual property rights; and the impact of pending or threatened litigation. For a detailed discussion of factors that could affect the Company's future operating results, please see the Company's filings with the Securities and Exchange Commission, including the disclosures under "Risk Factors" in those filings. Except as expressly required by the federal securities laws, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, changed circumstances or future events or for any other reason.

CONTACT: Capstone Green Energy
Investor and investment media inquiries:
818-407-3628
ir@CGRNenergy.com



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