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Flux Power's New Advanced Lithium Battery Pack Completes Third Successful Commercial Pilot

The 24V LiFT™ Pack 250 is Recognized for Outperforming and Outlasting All Other Premium Lead-Acid Batteries in Material Handling Equipment Implementations

ESCONDIDO, Calif., June 11, 2013 /PRNewswire/ -- Flux Power® Holdings, Inc. (OTCQB: FLUX), a fully reporting company and an innovator in durable, scalable, and affordable advanced energy storage systems, today announced that it has completed the third successful implementation of its LiFT™ Pack solutions in a commercial environment. Flux Power's new LiFT Pack 250Ahe-24V*, an advanced lithium battery pack developed specifically for material handling equipment, was used in pilot program by DC Logistics, which operates and maintains a growing fleet of transportation, warehousing/inventory management, and regional distribution equipment throughout the southwest.

(Logo: <https://photos.prnewswire.com/prnh/20121130/LA21636LOGO>)

Southwest Material Handling, a leading forklift dealer providing a total solution for warehouse and material handling equipment, provided the equipment used in the implementation at DC Logistics. The LiFT Pack 250Ahe-24V packs were installed in a Toyota electric walkie pallet-jack. "DC Logistics business depends on being flexible to serve a wide variety of transportation and logistics needs for businesses nationwide. The company was experiencing frequent issues with battery failures and loss of power in their equipment. Flux's LiFT pack provided us with a great opportunity to offer our customer a solution and enabled us to stand out from the competition," said Sue Herron, Sales Manager of Southwest Material Handling. "We were pleased to receive feedback from the equipment operators that even when the packs had only 25% charge remaining, the equipment still performed as if it was charged to full power."

Following two other successful pilot implementations, the LiFT Pack 250Ahe-24V was put to use in a variety of delivery environments at DC Logistics and consistently demonstrated its ability to outperform and outlast premium lead-acid batteries. Equipment operators noted the impressive duration of its charge and its ability to continuously operate at peak performance levels.

"We often have up to 28 trucks on the road each day, making 20-25 stops for a variety of needs. A typical delivery load can weigh as much as 1,500 pounds and many of our customer sites do not have a loading dock or other convenient access, so our drivers need to park nearby and use pallet jacks to reach the location. Once there, the equipment may need to remain in continuous use for several hours and run at full capacity. As a result, it is

critical that our equipment remains fully charged and operable for the entire day," said Ray Lopez, DC Logistics. "Lead-acid batteries installed in our pallet jack equipment must receive a full charge each night in order to meet the often rigorous logistical demands the following day. With the Flux LiFT Pack, our equipment was able to be in use all week, operating at full capacity, even when only a quarter of the charge remained.

"Equally important to us is our commitment to supporting cleaner air in California. We are continuously seeking ways to improve our rolling fleet efficiency and are active participants in the SmartWay program sponsored by the U.S. Environmental Protection Agency (EPA). This voluntary program was developed to improve fuel consumption efficiency and reduce overall transportation related emissions in fleet operating companies. Using highly efficient, longer lasting lithium-ion battery packs like the LiFT Pack 250Ahe-24V from Flux greatly supports our efforts in seeking energy efficient improvements in our equipment," added Ray.

"More and more customers are impressed by Flux Power's LiFT Pack's ability to last significantly longer than a typical lead-acid battery, enabling them to continuously run their equipment through more than one shift," said Chris Anthony, CEO of Flux Power. "Additionally, because of the efficiency of the pack, fewer charge cycles are required, thereby extending the life of the pack. This is a tremendous benefit to our cost of use and efficiency.

"Since the LiFT Pack was designed as a universal, state-of-the-art battery pack, it will fit a broad range of walkie manufacturer battery enclosure sizes. This has enabled us to quickly deploy new packs to a growing list of material handling equipment manufacturers. I am very pleased with the universally positive feedback we are receiving from these pilots as we move towards the next phase of our product launch program," Anthony concluded.

Flux Power's LiFT Pack is based on soft-packed, electrolyte-starved LiFePO₄ rechargeable pouch cell technology and is ideal for large energy storage systems used in the material handling equipment industry. Flux is the leader in advanced lithium energy storage solutions and has a successful history of delivering cost efficient solutions to customers around the globe. As the only company today providing lithium battery packs directly to the material handling market, its high-performance products offer a cost-efficient and reliable alternative to lead-acid batteries.

A product data sheet with additional information on the Flux LiFT Pack 250Ahe-24V Battery Pack can be found under the Product section of the company's website at <http://fluxpwr.com/products/>.

*Equivalent performance to 250Ah lead-acid battery for a 6-hour discharge cycle

About DC Logistics

DC Logistics a family owned corporation operating as a Third Party Logistics company in the southwest region of the United States. Our services range from but are not limited to truckload services, less than truckload services, warehousing storage, material handling, cross dock/transloading, custom inventory and auditing, and supply chain management. DC Logistics delivers our promise to our customers to stay dedicated to quality service.

DC Logistics operates our own fleet of vehicles to service our customers from each terminal. We are constantly involved in updating our fleet to maintain CARB compliance requirements

and are advocates of contributing to a "greener" environment through fuel efficiencies and equipment maintenance.

For additional information about DC Logistics and our services please call 877-325-6447 or email sales@dc-logistics.com

About Southwest Material Handling

Southwest Material Handling, Inc is a leading forklift dealer providing a total solution for all your warehouse and material handling equipment needs. SWMH is continually recognized for its innovation and desire to meet and exceed the needs of our customers. With four locations in California and Nevada (Anaheim, Las Vegas, Mira Loma, and Thousand Palms), we are ready to serve your business with a full selection of superior products and services. Along with the equipment we sell, we also service all competitive makes and models.

About Flux Power

Flux Power designs, develops, and sells cost efficient advanced energy storage systems. Incorporated in October 2009, Flux Power began shipping prototype products in the second quarter of 2010 while continuing to develop its intellectual property portfolio. Currently, Flux Power's product offerings include batteries in various sizes and forms, packaged modules, fully advanced energy storage systems and various system accessories. These accessories include: stand-alone battery management, stackable chargers, programming software and display systems. Flux Power sells modular advanced energy storage products through distributors and directly to original equipment manufacturers. These customers benefit from Flux Power's advanced systems technologies, which greatly extend cycle life and improve system performance.

For more information visit www.FLUXpwr.com or email info@FLUXpwr.com.

Forward-Looking Statements

This release contains certain "forward-looking statements" relating to the business of the Company. These forward looking statements are often identified by the use of forward-looking terminology such as "believes," "expects" or similar expressions. Further the forward looking statements involve known and unknown risks and uncertainties that may cause actual results to be materially different from those described herein as anticipated, believed, estimated or expected. Such forward-looking statements include, among other things, regulatory incentives, the development of new business opportunities, and projected costs, revenue, profits and results of operations. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the inherent uncertainties associated with new projects and development stage companies. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Although we believe that any beliefs, plans, expectations and intentions contained in this press release are reasonable, there can be no assurance that any such beliefs, plans, expectations or intentions will prove to be accurate. Investors should consult all of the information set forth herein and should also refer to the risk factors disclosure outlined in our annual report on Form 10-K for the most recent fiscal year, our quarterly reports on Form 10-Q and other periodic reports filed from time-to-time with the Securities and Exchange Commission and available on its website (www.sec.gov).

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