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Ideal Power, the University of Dayton Research Institute & EnerDel Team Up for Solar+Storage Microgrid at U.S. Air Force Forward Operating Base of the Future

AUSTIN, TX--(Marketwired - Sep 19, 2016) - Ideal Power Inc., (NASDAQ: IPWR), a developer of innovative power conversion technologies, and EnerDel, a leading lithium-ion battery manufacturer and energy system integrator, have teamed up to create a mobile hybrid solar plus battery energy storage system for the United States Air Force aimed at reducing the diesel fuel used to power forward operating bases (FOB). Researchers in the Air Force Research Laboratory and the University of Dayton Research Institute recently launched the joint year-long program where they are demonstrating technologies capable of powering remote military installations that normally depend on the regular delivery of diesel fuel via convoy, often in hostile locations.

"EnerDel is very excited to demonstrate our fourth generation advanced energy storage and conversion technology at an Air Force operated training facility," said Derrick Buck, Engineering Director at EnerDel. "The collaboration of the Ideal Power and EnerDel teams allowed for the successful commissioning of our Mobile Hybrid Power System with Ideal Power's power conversion systems. We look forward to expanding our partnership with Ideal Power and continuing the future development of our military/microgrid product portfolio."

Enerdel selected Ideal Power's Grid Resilient Multi-port 30kW Power Conversion System (30B3) for this project. EnerDel's Mobile Hybrid Power System (MHPS) integrates the 30B3 with an 8kW tent-mounted solar array to form a portable microgrid. The project supports the U.S. Air Force's Energy Strategic Plan, which seeks to improve the resiliency of their FOBs and reduce dependence on diesel-powered generators. The project has been successfully operating at the 319th Training Squadron's Basic Expeditionary Airmen Skills Training (BEAST) facility at Joint Base San Antonio-Lackland and is currently powering lights and air conditioning systems for ten FOB living quarters. The microgrid has been undergoing rigorous testing for the past seven months and could eventually be deployed at Air Force locations across the globe.

"There is a history of successful commercial applications coming out of the military. This installation is a great example of the type of project that can lead to penetration of the large military and microgrid markets in addition to broad applications in a commercial setting," said Bill Alexander, CTO at Ideal Power. "Ordinary solar PV installations can only supply power while the utility grid is up and running. This system supplies power from solar PV independent of the utility grid and points the way towards microgrid-ready solar PV which will

supply electricity -- with or without utility power -- and allow facilities to continue powered operations from battery and/or solar PV after loss of utility power."

Ideal Power's Grid Resilient 30B3 PCS is based on its patented, industry-leading Power Packet Switching Architecture™ (PPSA) which offers customers a proven, compact, high-efficiency solution for energy storage systems. Ideal Power's systems are software configurable, allowing them to operate in 50Hz or 60Hz environments, maximizing the ease of deployment in different geographical markets and providing the flexibility to optimize performance for many energy applications. The significant reduction in the size and weight of Ideal Power systems results in dramatically lower installation costs and is ideal for military microgrid applications.

About Ideal Power Inc.
Ideal Power Inc. (NASDAQ: IPWR) is a technology company dedicated to advancing the efficiency of electric power conversion. The company has developed a novel, patented power conversion technology called Power Packet Switching Architecture™ ("PPSA"). PPSA improves the size, cost, efficiency, flexibility and reliability of electronic power converters. PPSA can scale across several large and growing markets, including solar PV, variable frequency drives, battery energy storage, mobile power, microgrids, and electric vehicle charging. The company is also developing and has patented a bi-directional, bi-polar junction transistor ("B-TRAN™") which has the potential to dramatically increase bi-directional power switching efficiency and energy density. Ideal Power employs a capital-efficient business model which enables the company to address development projects, R&D and markets simultaneously. For more information, visit www.IdealPower.com.

About The University of Dayton Research Institute
The University of Dayton Research Institute's (UDRI) full-time staff of close to 500 people combine creative research expertise and extensive technical capabilities with a strong customer focus to deliver quality solutions, on budget and on time. Furthermore, our flexibility on intellectual property rights, our responsiveness to changing customer needs, and our diversity of contracting mechanisms reduce the barriers to successful collaborations and partnerships and make it easy to do business with us. UDRI specializes in the research, development, application and transition of technology in diverse fields, including materials, structures, energy, propulsion, manufacturing, sensors, intelligence and much more. Our materials research effort alone is the third largest in the nation among universities, and our engineering research ranks second in Ohio.

About EnerDel
EnerDel Inc. is a privately-held company headquartered in Indianapolis. It manufactures advanced, lithium-ion batteries and energy storage systems for electric grid, transportation and industrial applications. The company's prismatic cell design and modular stacking architecture combine to provide customers with production-ready solutions that address their power and energy storage needs. For additional information, visit EnerDel.com.

Safe Harbor Statement
All statements in this release that are not based on historical fact are "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. While management has based any forward looking statements included in this release on its current expectations, the

information on which such expectations were based may change. Our CTO's statement that this project can lead to penetration of the large market for military uses and microgrids in addition to broad applications in a commercial setting may be considered a forward-looking statement. These forward looking statements rely on a number of assumptions concerning future events and are subject to a number of risks, uncertainties and other factors, many of which are outside of our control that could cause actual results to materially differ from such statements. Such risks, uncertainties, and other factors include, but are not limited to, the risk that a product that is successful in a military application may not be appropriate for commercial markets or ever achieve commercial success, whether the patents for our technology provide adequate protection and whether we can be successful in maintaining, enforcing and defending our patents, whether a demand for energy storage products will grow, whether demand for our products, which we believe are disruptive, will develop and whether we can compete successfully with other manufacturers and suppliers of energy conversion products, both now and in the future, as new products are developed and marketed. Furthermore, we operate in a highly competitive and rapidly changing environment where new and unanticipated risks may arise. Accordingly, investors should not place any reliance on forward-looking statements as a prediction of actual results. We disclaim any intention to, and undertake no obligation to, update or revise forward-looking statements.

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