

July 5, 2012



Flux (FLUX) Powers MyCar as GreenTech Automotive, Former President Clinton Roll Out Made-in-America Neighborhood Electric Vehicle

ESCONDIDO, Calif., July 5, 2012 /PRNewswire/ -- Flux Power® Holdings, Inc. (OTCQB: FLUX) today announced that its lithium battery technology is powering GreenTech Automotive's (GTA) much-heralded MyCar, which is expected to be introduced this Friday, July 6. MyCar is scheduled to be rolled out at a ceremony attended by Former President Bill Clinton at GTA's expansive manufacturing facility in Mississippi. Also attending the event are Mississippi Gov. Phil Bryant (R), former Mississippi Gov. Haley Barbour (R) and Assistant Secretary of Homeland Security Douglas A. Smith.

"Flux has been working with GTA for well over a year now to design and validate various lithium packs for its MyCar program," said Chris Anthony, Flux Power CEO. "We have developed a 7, 15, and 23KWh pack with GTA and have already delivered the first several hundred vehicles worth of battery packs to them for production. We are excited to collaborate with GTA, another great American technology company, to supply the world with cost-effective electric vehicles."

The two-seat, Made-in-America MyCar is a Neighborhood Electric Vehicle (NEV) which has an estimated range of 115 miles between battery charges. NEVs are low-speed vehicles that are designed for neighborhood driving, as opposed to highway driving, and are limited by state laws to maximum speeds of 25 to 35 miles per hour. MyCar is a pure electric vehicle and can be recharged from any regular household socket (110 volt) and costs about two cents worth of electricity per mile to operate.

"GTA Chairman Terry McAuliffe and CEO Charles Wang have assembled an amazing team to put MyCar into mass production, and Flux is proud to help them bring more jobs to America," Mr. Anthony said. "The world needs affordable electric vehicles and GTA is well-positioned to deliver them. And Flux Power is gratified to deliver for GTA."

On June 15, 2012, Flux Power® Holdings, Inc. and its operating subsidiary, Flux Power, Inc. ("Flux Power"), announced the completion of the reverse acquisition of Flux Power Holdings, Inc. (formerly known as Lone Pine Holdings, Inc.), a Nevada corporation and the initiation of trading on the OTCQB exchange under the new symbol, "FLUX."

Flux Power provides lithium battery storage systems at a price significantly lower than legacy lead-acid battery systems and half that of other current lithium system technologies. Industry analysts estimate Flux Power's addressable market to total \$60 billion annually, according to the company. Much of the market growth is being driven by the increasing adoption of lithium battery solutions, as provided by Flux Power for electric vehicles and grid

management. Lithium is widely expected to supplant legacy lead acid technology because of numerous advantages including quality and price. Electric vehicles have adopted lighter weight energy storage to increase range and payload abilities. Grid management applications have sought to increase their systems' cycle life to assure better returns on their long-term investments. Flux Power believes that all of these needs will cause the advanced energy storage market to grow exponentially over the next 5 to 10 years.

Flux Power notes that electric vehicles are displacing traditional combustion vehicles for utility and passenger vehicle needs at an ever-growing rate as electric vehicle technology becomes more advanced and costs come down. Utility vehicles such as lift trucks and service vehicles are a natural fit for electric power, as they are often operated in confined or congested spaces where excess emissions from combustion vehicles are difficult to manage. Moreover, lowering these combustion motor emissions is a goal of many Federal and State agencies. This has also spurred adoption of electric technologies in this space. Adoption is further assisted by increased environmental consciousness on the part of consumers, which has increased sales of both hybrid electric and all electric vehicles. With the decreased costs per mile of electric vehicles and greatly reduced emissions, the company believes that this market segment will see fast growth.

About GreenTech Automotive

GreenTech Automotive (www.wmgta.com) is the new U.S. automobile company committed to the advancement of clean automobile technology. GTA is developing vehicles that are energy-efficient, affordable, and built in the United States by American workers. Led by Terry McAuliffe, an international leader in politics, business, and promoting green energy, GTA was established to carry out his vision that "no green technology is truly green unless it is affordably green."

About Flux Power

Flux Power designs, develops, manufactures 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 tested and validated 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 such as Dukes Garage, Electric Motor Sports, MC Electric Vehicles, and EV America. These customers benefit from Flux Power's proprietary system and cell technologies, which greatly extend cycle life and improve system performance. Flux Power's systems are also highly cost efficient proving less expensive than lead-acid technology over time in most applications.

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

Forward-Looking Statements

This news release contains "forward-looking statements" as that term is defined in Section 27A of the United States Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Statements in this press release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future. 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.

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