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FAA Authorizes Flight Test Research for Workhorse Group HorseFly(TM) UAS

Grants Clearance for Additional Testing for Combination E-Vehicle and UAS Package Delivery Platform

CINCINNATI, Oct. 14, 2015 (GLOBE NEWSWIRE) -- The Federal Aviation Administration (FAA) granted a Certificate of Authorization (COA) to the Ohio/Indiana UAS Center and Test Complex, allowing Workhorse Group Inc. (OTCQB:WKHS) and the University of Cincinnati (UC) to continue their joint development of Workhorse Group's HorseFly™ UAS, which is designed to fly to and from a standard delivery vehicle. Testing of HorseFly will take place at the Wilmington Air Park in Wilmington, OH.

Collaboration between the UC's College of Engineering and Applied Science and the Ohio/Indiana UAS Center led to sponsorship for the two-year FAA authorization from the Ohio State Department of Transportation in addition to priority access to Wilmington Air Park.

Workhorse Group is developing its HorseFly UAS, an eight-rotor "octocopter," in tandem with its EPA-approved electric work trucks. Weighing 15 pounds empty, HorseFly has a payload capacity of 10 pounds; it can achieve a maximum speed of 50 mph and a flight time of 30 minutes. The HorseFly UAS, which is subject to FAA approval for commercial use, is designed to be given a package and a delivery destination by a delivery driver, using a touchscreen interface in the delivery truck. The HorseFly has the ability to launch itself from the roof of the delivery vehicle and ascend to a safe cruising altitude and then navigate to the desired delivery point—say, a house's front stoop—autonomously, using GPS navigation.

HorseFly's technology allows it to reach the GPS delivery destination, where then a human pilot in a remote location monitors the descent with a multi-camera video feed, and executes the package drop-off. The HorseFly can then ascend back to a safe cruising altitude, navigate to the new location of the delivery truck and use infrared tracking to land and dock with the truck. The HorseFly then has the ability to recharge its battery using the onboard battery of the electric vehicle. This offers several potential benefits if approved by the FAA: for example, it saves the delivery driver the time and trouble of having to physically drop off each package himself, which cuts down on the cost of delivery per package. Additionally, since the truck itself would be making fewer stops, it would reduce emissions and result in cleaner air. The company has teamed with the University of Cincinnati to develop all the systems necessary to execute precision takeoffs and landings in a variety of weather conditions.

Steve Burns, CEO of Workhorse, said, "Obtaining this authorization from the FAA is a vital step forward in making our HorseFly drone a practical component of our package delivery system by testing the drone's unmanned flying capabilities. We believe the pairing of the HorseFly drone and the Workhorse electric vehicle may usher in a significant improvement

in reducing emissions and improving the efficiency of the delivery process."

Workhorse has teamed with UC via the University of Cincinnati's Research Institute (UCRI) to develop all of the systems necessary to execute precision take-offs and landings on the top of a standard delivery truck in a variety of weather conditions and package weights.

Professor Paul Orkwis, head of aerospace engineering at UC, said, "Workhorse Group is among a select few world-class leaders working to create the UAS revolution by demonstrating its advantages for a better future. We believe the HorseFly program represents a major innovation in this arena."

Martin Rucidlo, president of Workhorse, said, "The authorization to conduct testing at Wilmington Air Park gives us the ability to work on perfecting the Workhorse Truck and the HorseFly system. We look forward to working with the UC team and continuing the quest to revolutionize the package delivery process."

About Workhorse Group, Inc.

Workhorse Group, Inc. is the parent company of AMP Electric Vehicles Inc. and AMP Trucks Inc. AMP Electric Vehicles manufactures electric drive systems for medium-duty, class 3-6 commercial truck platforms. AMP Trucks Inc., which purchased the assets of Workhorse Custom Chassis LLC from Navistar in March of 2013, can equip its Workhorse chassis with gasoline, propane, or CNG engines in addition to all-electric. Workhorse Group's HorseFly line of Unmanned Aerial Vehicles (UAV) is designed to be the 'last mile' solution in delivery logistics. The HorseFly is differentiated from other UAVs as it is designed to work in tandem with a Workhorse electric truck. HorseFly is designed to deliver packages, loaded on-route by the truck's driver, to remote locations, while the driver continues on the main delivery route. For additional information visit www.workhorse.com.

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