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Capstone Green Energy Continues Its Success in the EaaS Market With a New C800S Rental Contract for a Data Mining Operation in West Texas

The 800 kW Microturbine Rental System Will Provide Reliable Power Using the Site's Waste Gas as Fuel

LOS ANGELES--(BUSINESS WIRE)-- [Capstone Green Energy Corporation](#) (NASDAQ: CGRN), a global leader in carbon reduction and on-site resilient green energy solutions, continues to grow in the Energy as a Service (EaaS) market with a new 2-year rental agreement for a cryptocurrency data mining operation in West Texas. The contract was secured by [Lone Star Power Solutions](#), Capstone's exclusive distributor in Texas, Arizona, and the Gulf States and is expected to be commissioned in mid-December. The customer is currently evaluating an additional 1MW system to be deployed in early 2023.

"Capstone continues to expand its EaaS business, including its long-term rental program, which is an important element in reaching our profitability goals as rentals generate higher margins than traditional product sales. The rental program eases access to Capstone's premium product, allowing customers to enjoy the benefits of clean, low-cost, reliable power where capital is limited or competing for other critical capital uses. We are seeing demand from emerging and rapidly growing industries with intensive energy needs like cryptocurrency mining operations which affirms the attractiveness of Capstone's EaaS approach and the growing size of our addressable market. With this latest contract, the Capstone microturbine rental fleet now stands at approximately 40 MW, with a goal of expanding to 50 MW by March 31, 2023," said Darren Jamison, Capstone Green Energy President and Chief Executive Officer.

Located on an oil and gas well, the customer approached Lone Star looking for an innovative way to monetize their existing on-site production gas, a byproduct that would otherwise go to waste to support on-site cryptocurrency mining. A Capstone C800 microturbine rental was chosen to replace an aging reciprocating engine that was unreliable due to the site's gas composition and extreme environmental conditions.

Cryptocurrency mining requires highly sophisticated computers, often in a data center, to solve complex computational mathematical problems. By their very nature, data centers require tremendous amounts of electricity. At a time when the utility grid is strained due to extreme weather, aging infrastructure, and inadequate transmission, on-site power provides a resilient alternative for energy-intensive facilities.

"Capstone's fuel flexibility and ability to perform without de-rating or maintenance issues on

lower quality fuels won this project to replace reciprocating on-site generators. Capstone has a major advantage in the flared gas to crypto market. By harnessing the minimally processed field gases, fuel costs are minimized, allowing for substantial operational savings. Additionally, using otherwise wasted (flared) gases for bitcoin production minimizes the environmental impact of data mining activities,” said Marc Rouse, Sales Director, Capstone Green Energy.

About Capstone Green Energy

[Capstone Green Energy](#) (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 Generation Technologies (EGT) 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 Solutions (ESS) business line designs and installs microgrid storage systems creating customized solutions using a combination of battery technologies and monitoring software. Through Hydrogen & Sustainable Products (H2S), Capstone Green Energy offers customers a variety of hydrogen products, including the Company's microturbine energy systems.

To date, Capstone has shipped over 10,000 units to 83 countries and estimates that in FY22, it saved customers over \$213 million in annual energy costs and approximately 388,000 tons of carbon. Total savings over the last four years are estimated to be approximately \$911 million in energy savings and approximately 1,503,100 tons of carbon savings.

For customers with limited capital or short-term needs, Capstone offers rental systems; for more information, contact: rentals@CGRNenergy.com.

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 the Company's target for growth of its rental fleet 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 sufficiency of the Company's working capital to meet its rental fleet growth target; 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 departures and other changes in management and other key employees. 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.

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