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## Capstone Secures Multi-Megawatt 16 Unit Order for Repeat Oil and Gas Customer

CHATSWORTH, Calif., Nov. 29, 2016 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation ([www.capstoneturbine.com](http://www.capstoneturbine.com)) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it received a sixteen unit follow-on order for a C800, two C600s, and multiple C65 and C30 microturbines totaling in excess of 2.6 megawatts for a repeat oil and gas customer in the Mancos and Gallup shale plays, situated in the San Juan Basin.

Horizon Power Systems, Capstone's distributor for the Eagle Ford, Permian, Barnett, Mancos, San Juan and Wattenberg shale plays, placed the order, which is expected to be commissioned in three phases beginning in December 2016. Capstone microturbines were selected based on the end users long experience with Capstone products and Horizon's excellent local support.

"Despite the prolonged slump in the energy industry, oil and gas producers continue to look for ways to reduce their operational costs and meet the increasingly stringent flaring requirements, which is a long term catalyst for our business," said Darren Jamison, President and Chief Executive Officer at Capstone. "This order is a positive sign as this is the largest oil and gas order we have received in nearly a year and is further significant in light of the drop in our oil and gas business to 8% of product revenue in this year's second quarter compared to 26% of product revenue for the second quarter a year ago," added Mr. Jamison.

The dual mode microturbines will be installed at various locations within the San Juan basin to help boost production using a growing microgrid system. Clean power generated by the microturbines will drive artificial lifts and assist with the transfer of oil and water to various points of the production field.

The long term repeat oil and gas customer installed its first Capstone microturbine back in 2000 to establish a central power system for shale gas production in the San Juan Basin. After years of expanding its operations with additional microturbines, the customer decided to introduce Capstone's larger microturbine systems to the field. The customer's production operation continues to be powered entirely by Capstone microturbines.

"With some microturbines in the microgrid system having over 100,000 operating hours, the producer is confident in building upon that proven reliability," said Bryan Hensley, Horizon Power's Executive Vice President of North American Sales. "That reliability and more than 15 years of teaming with this customer shows how committed they are to using cutting edge, highly reliable Capstone microturbines," added Mr. Hensley.

"We are beginning to see some positive movement in our oil and gas business as customers

continue to see the value in the scalability of Capstone microturbine technology and production field operations are able to expand incrementally and seamlessly as the volume of production increases over time," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing.

#### About Capstone Turbine Corporation

Capstone Turbine Corporation ([www.capstoneturbine.com](http://www.capstoneturbine.com)) (Nasdaq:CPST) is the world's leading producer of low-emission microturbine systems and was the first to market commercially viable microturbine energy products. Capstone has shipped approximately 9,000 Capstone Microturbine systems to customers worldwide. These award-winning systems have logged millions of documented runtime operating hours. Capstone is a member of the U.S. Environmental Protection Agency's Combined Heat and Power Partnership, which is committed to improving the efficiency of the nation's energy infrastructure and reducing emissions of pollutants and greenhouse gases. A UL-Certified ISO 9001:2015 and ISO 14001:2015 certified company, Capstone is headquartered in the Los Angeles area with sales and/or service centers in the United States, Latin America, Europe, Middle East and China.

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the rebound of the oil and gas market and the advantages of Capstone's products, including their ability to reduce operations costs and meet flaring requirements, as well as their reliability and scalability. Forward-looking statements may be identified by words such as "expects," "objective," "intend," "targeted," "plan" and similar phrases. These forward-looking statements are subject to numerous assumptions, risks and uncertainties described in Capstone's filings with the Securities and Exchange Commission that may cause Capstone's actual results to be materially different from any future results expressed or implied in such statements. Capstone cautions readers not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Capstone undertakes no obligation, and specifically disclaims any obligation, to release any revisions to any forward-looking statements to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events.

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