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Capstone Turbine (NASDAQ:CPST) Receives Follow-On Order from one of the largest Oil & Gas Midstream Operators in North America

Three 65 kW Microturbines Will Be Deployed in the Permian Basin for a Remote Site

VAN NUYS, CA / ACCESSWIRE / May 28, 2020 /Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it has received an order for three C65 microturbines for one of the largest oil and gas midstream operators based in North America. Lone Star Power Solutions, Capstone's exclusive distributor in Arizona, Texas and the Gulf States (www.lonestarpowersolutions.com) secured the order, which is expected to be commissioned in summer 2020.

"If you look globally, six of our ten largest installed fleets of Capstone microturbines are oil and gas customers that are using microturbines to provide clean and reliable on-site energy in some of the harshest and remote applications in the world," said Darren Jamison, President and Chief Executive Officer of Capstone Turbine. "Securing additional follow-on orders from one of the largest midstream operators in North America is a significant step in our mission to lower the carbon footprint of companies operating in America's oil fields," added Mr. Jamison.

Capstone microturbines align perfectly with the needs of the oil and gas industry. The stand-alone microturbines will run all-electric power equipment at a remote operation while running on locally available high-pressure natural gas. Capstone microturbines were selected for their low emissions profile, low maintenance, and reliable power generation capabilities in remote locations.

The successful operation of microturbines in the oil and gas sector strengthens Capstone's position in the market as the preferred option for many producers working to lower costs and increase efficiencies in the production process. By utilizing on-site natural gas, oil and gas producers are able to reduce harmful emissions and also lower their operating expenses, which is desirable under today's depressed crude oil prices.

"We are pleased to be able to provide our customers with one of the cleaner and more reliable power generation equipment technologies manufactured today," said Doug Demaret, President of Lone Star Power Solutions. "Additionally, when there is uncertainty in the commodity markets, the extremely low cost of ownership of Capstone Turbine products is a realized benefit for our customers, which creates the potential to lead to repeat orders like we're announcing today," concluded Mr. Demaret.

A recent report from Rystad Energy found that the Permian Basin held 74 percent of the nation's horizontal oil drilling, and continues to increase its share as other basins struggle amid the low-price market brought on by the pandemic. Despite the COVID-19 pandemic, the Permian Basin is emerging as the epicenter of drilling activity.

About Capstone Turbine Corporation

Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ:CPST) is the world's leading producer of highly efficient, low-emission, resilient microturbine energy systems. Capstone microturbines serve multiple vertical markets worldwide, including natural resources, energy efficiency, renewable energy, critical power supply, transportation and microgrids. Capstone offers a comprehensive product lineup, via our direct sales team, as well as our global distribution network. Capstone provides scalable solutions from 30 kW to 10 MWs that operate on a variety of fuels and are the ideal solution for today's multi-technology distributed power generation projects.

For customers with limited capital or short-term needs, Capstone offers rental systems, for more information contact: rentals@capstoneturbine.com. To date, Capstone has shipped nearly 10,000 units to 73 countries and in FY19, saved customers an estimated \$253 million in annual energy costs and 350,000 tons of carbon.

For more information about the company, please visit www.capstoneturbine.com. Follow Capstone Turbine on [Twitter](#), [LinkedIn](#), [Instagram](#), and [YouTube](#).

Forward-Looking Statements

This press release contains "forward-looking statements," as that term is used in the federal securities laws. Forward-looking statements may be identified by words such as "expects," "believes," "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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