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Workhorse Group Sees Opportunity to Harness Its Existing Technology in Light of New FAA Rules for Commercial Drone Flights

Company's EPA-Approved Workhorse E-GEN Electric Truck and HorseFly UAS Give Company Potential Lead in Drone Package Delivery Sector

CINCINNATI, June 22, 2016 (GLOBE NEWSWIRE) -- Workhorse Group Inc. (NASDAQ:WKHS), a last-mile delivery technology company that is an original equipment manufacturer of medium-duty, battery-electric trucks and fully integrated unmanned aerial delivery drones, applauds the Federal Aviation Administration's (FAA) June 21 release of new rules approving the routine commercial use of drones weighing less than 55 pounds. The rules allow drone operators to fly without special permission from the FAA.

Steve Burns, CEO of Workhorse, said, "The FAA's new rules represent a welcomed first step in the modernization of commercial drone flights in the United States. We believe Workhorse is uniquely placed within the commercial package delivery sector to take advantage of this rule. Unlike other companies that are likely to adapt off-the-shelf drone technology for package delivery, Workhorse has been alone in conceiving a truck-and-drone delivery model literally from the ground up. Our HorseFly drone provides an ideal drone-based package delivery system in tandem with our Workhorse E-GEN electric delivery truck. In addition to the financial savings and environmental benefits Workhorse provides, the drone and truck combination satisfies the operational limits outlined by the FAA today. This includes the ability to maintain visual contact with the drone as it approaches a residence to drop off a package. We are currently studying the FAA rules in detail and plan to take advantage of the greater leeway they allow us as the drone-based package delivery space continues to evolve rapidly."

For the past six months, Workhorse has been testing its HorseFly™ UAS delivery drone system via a Section 333 Exemption granted by the FAA. HorseFly was designed to be launched from the roof of the company's EPA-approved Workhorse E-GEN electric delivery truck.

About Workhorse Group Inc.

Workhorse Group Inc. is a U.S.-based original equipment manufacturer of medium-duty, EPA-approved battery-electric delivery vehicles and fully integrated truck-launched, FAA compliant unmanned aerial systems (UAS) delivery drones. The company is also a developer of a cloud-based, real-time telematics performance monitoring system that provides fleet operators ultimate energy and route efficiency. For additional information visit www.workhorse.com.

Forward-Looking Statements

This press release includes forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements may be identified by words such as "believes," "expects," "anticipates," "estimates," "projects," "intends," "should," "seeks," "future," "continue," or the negative of such terms, or other comparable terminology. Forward-looking statements are statements that are not historical facts. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from the forward-looking statements contained herein. Factors that could cause actual results to differ materially include, but are not limited to: our limited operations and need to expand in the near future to fulfill product orders; risks associated with obtaining orders and executing upon such orders; the ability to protect our intellectual property; the potential lack of market acceptance of our products; potential competition; our inability to retain key members of our management team; our inability to raise additional capital to fund our operations and business plan; our inability to maintain our listing of our securities on the Nasdaq Capital Market; our ability to continue as a going concern; our liquidity and other risks and uncertainties and other factors discussed from time to time in our filings with the Securities and Exchange Commission ("SEC"), including our annual report on Form 10-K filed with the SEC. Workhorse expressly disclaims any obligation to publicly update any forward-looking statements contained herein, whether as a result of new information, future events or otherwise, except as required by law.

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