

Cyclone Power Technologies Receives Purchase Order from I.B.E.S. a UAE Corporation & Update on Cyclone

Pompano Beach, FL, September 29, 2016. [Cyclone Power Technologies](#) (Pink Sheets: CYPW), developer of the all-fuel, **clean-tech** Cyclone Engine, announced today that it has signed an agreement with [IBES FZ-LLC](#), based in Dubai Science Park Free Zone in United Arab Emirates, to manufacture and integrate Cyclone's Heat Regenerative External Combustion engines with their wood furnaces to produce electrical power.

IBES has merged with 3R group and has become the surviving entity and IBES has taken over all the rights and responsibilities. IBES has accepted the engine that was delivered to Denmark this year under the 3R agreement. They have agreed to pay the remaining balance on the contract after successfully integrating it into the 3R furnace system and two months of testing. In addition IBES FZ-LLC has issued the first purchase order for 5 production engines for immediate delivery to Dubai where final assembly takes place.

Frank Cawkwell, CEO of IBES commented "The 2015 Paris Climate Conference made global leaders committed to a cleaner, greener, and more energy efficient world. The need is to bring electrical power, warmth, clean water, and refrigeration to the more than 2B people still remaining without; this poses a tremendous challenge for the world. Combining Cyclone's revolutionary Rankin cycle engine and 3R's unique wood fueled furnace, IBES has a product that will be a critical component in meeting that challenge. IBES offers a low cost, highly efficient solution that generates electricity to power, for example, lighting and mobile device chargers. It also provides heat energy to operate water purification and refrigeration systems, thus offering access to 21st century standards of living to those who have missed out. We are both passionate about our products and the impact they can affect globally. The creation of IBES and its partnership with Cyclone has brought together two innovative leaders in their industries and a combined 35 years of experience with clean and renewable energy solutions."

"This agreement with IBES FZ-LLC provides us with entry into one of the fastest growing energy markets in the World. The heat and electrical 'CHP' market is expected to experience exponential growth over the next five years," stated Frankie Fruge, President of Cyclone. "We think that partnering with this team of distinguished leaders in their unique equipment operating fields and the new partners with experience in Third World Markets presents a great commercial opportunity for Cyclone. We look forward to the beginning of what we expect to be strong and mutually beneficial relationship with IBES."

Update on Cyclone

FSDS Contract: Cyclone is proud to announce that we will be delivering the S2 engine generator system to FSDS the first week of October. The system will be exhibited as their new Auxiliary Power Unit (APU) for military use at their booth at the AUSA show in Washington DC. They will also be exhibiting the "Cyclone Genie APU System" The Genie is a .5 kW lightweight unit for troops to carry in the field to recharge batteries. Cyclone is excited to show support of their new licensee FSDS, and Frankie Fruge, Cyclone's President will be in attendance. FSDS is a worldwide supplier for military products. The AUSA show is the largest

vendor show for Army products visit: <http://ausameetings.org/2016annualmeeting/ng/>

Audited Financials: Cyclone is still working diligently on getting the financials brought up to date, audited and filed, there have been some unforeseen delays due to reporting requirements associated with derivatives accounting and inventory aging. We anticipate filing within the next few weeks as these issues have now been resolved. Bruce Schames, CFO, “As we are all disappointed in the delays, we are working with the attorneys and auditors to get this done as quickly as possible. Everyone is fully aware and working at full speed as we all know time is of the essence”

Plunkett Power Systems: Gary Champaign of Plunkett Power Systems and Republic Energy has now renewed his long term relationship with Lewis Precision & CNC, Inc. and has moved the Cyclone Mark 3 engine to their enhanced production facility. Please visit their website at <http://lpcnc.com/>. Gary Champaign states, “We feel this is a strategic move with all the space available to produce 500 engines per quarter and room to expand.”

Combilift Forklift engine: Robert Moffett and his partner visited Cyclone’s facility a couple of months ago to see the final beta engines that was finishing testing for delivery. They also viewed the updated pre-production versions of the Mark 1 and Mark 3 engines and want to incorporate the upgrades to the Mark 5 engine. This upgrade has a lower parts count and easier to maintain, which is important in this type of work vehicle.

About Cyclone Power Technologies

Cyclone Power Technologies is the developer of the award-winning [Cyclone Engine](#) – an all-fuel, clean-tech engine with the power and versatility to run everything from waste energy electric generators and solar thermal systems to cars, trucks and locomotives. Invented by company founder and CEO Harry Schoell, the patented Cyclone Engine is a **eco-friendly** external combustion engine, ingeniously designed to achieve high thermal efficiencies through a compact heat-regenerative process, and to run on virtually any fuel - including **bio-diesels, syngas** or **solar** - while emitting fewer greenhouse gases and irritating pollutants into the air. The Cyclone Engine was recognized by *Popular Science Magazine* as the **Invention of the Year** for 2008, and was presented with the Society of Automotive Engineers’ **AEI Tech Award** in 2006 and 2008. Additionally, Cyclone was recently named **Environmental Business of the Year** by the Broward County Environmental Protection Department. For more information, visit www.cyclonepower.com.

Safe Harbor Statement

Certain statements in this news release may contain forward-looking information within the meaning of Rule 175 under the Securities Act of 1933 and Rule 3b-6 under the Securities Exchange Act of 1934, and are subject to the safe harbor created by those rules. All statements, other than statements of fact, included in this release, including, without limitation, statements regarding potential future plans and objectives of the company, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The company cautions that these forward-looking statements are further qualified by other factors. The company undertakes no obligation to publicly update or revise any statements in this release, whether as a result of new information, future events or otherwise.

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