



## News Release FOR IMMEDIATE RELEASE

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## American Power Group Announces First California Air Resources Board Executive Order Certifications for Their Turbocharged Natural Gas® Dual Fuel System

- Certifications Open Up California Class 8 Vehicular Market For APG's Dual Fuel Solution -

**Lynnfield, MA – June 25, 2015 - American Power Group Corporation (OTCQB: APGI)** announced today that its subsidiary, American Power Group, Inc. (“APG”) has achieved its first State of California Air Resources Board (“CARB”) Executive Order (“E.O.”) Certifications for its Turbocharged Natural Gas® Dual Fuel System. APG received CARB E.O. Certifications for seventeen specific Volvo/Mack D-13/MP8 engine models within the 2010-2012 model years for the 12.8L heavy-duty diesel engine family ranging from 375hp to 505hp. These CARB E.O. Certifications are in addition to our industry leading 474 EPA conversion approvals received on specific CAT, Cummins, Detroit Diesel, Daimler, Mack, and Volvo engine families for engine model years ranging from 1991 to 2012.

Lyle Jensen, American Power Group’s CEO stated, “Achieving our first round of CARB E.O. Certifications for our dual fuel solution is a very important technical and marketing milestone for our company given CARB has some of the most stringent approval requirements in the country. These initial certifications took almost a year to accomplish but with an approved testing template in place, we believe we can accelerate the preparation and submission of subsequent vehicle family submissions. According to RL Polk, California has over 338,000 registered Class 8 trucks or approximately 10% of the 3 million + registered Class 8 trucks. In addition, California is home to over 10% of the current public/private natural gas fueling stations in the United States. These three Volvo/Mack engine family model years of 2010-2012 open up a multi-million dollar California market opportunity of potentially several thousand trucks.”

Mr. Jensen added, “With these initial certifications, we can begin to expand our education and marketing of the environmental benefits of APG’s dual fuel solution, especially when it comes to NOx and particulate reductions in California’s remaining non-attainment regions. APG’s Turbocharged Natural Gas® Dual Fuel System is being presented and supported by many leading national and regional natural gas fueling suppliers as a viable alternative solution for their heavy-duty Class 8 fleet customers to consume significant amounts of natural gas. By displacing between 8,000 to 12,000 annual gallons of diesel per vehicle with natural gas and having the ability to convert up to 6 existing vehicles to dual fuel for roughly the same price as one new heavy duty dedicated Class 8 truck, we provide the fuel supplier’s marketing teams with a very compelling economic as well as environmental argument for converting to dual fuel.”

**About American Power Group Corporation**

American Power Group's alternative energy subsidiary, American Power Group, Inc., provides a cost-effective patented Turbocharged Natural Gas® conversion technology for vehicular, stationary and off-road mobile diesel engines. American Power Group's dual fuel technology is a unique non-invasive energy enhancement system that converts existing diesel engines into more efficient and environmentally friendly engines that have the flexibility to run on: (1) diesel fuel and liquefied natural gas; (2) diesel fuel and compressed natural gas; (3) diesel fuel and pipeline or well-head gas; and (4) diesel fuel and bio-methane, with the flexibility to return to 100% diesel fuel operation at any time. The proprietary technology seamlessly displaces up to 75% of the normal diesel fuel consumption with the average displacement ranging from 40% to 65%. The energized fuel balance is maintained with a proprietary read-only electronic controller system ensuring the engines operate at original equipment manufacturers' specified temperatures and pressures. Installation on a wide variety of engine models and end-market applications require no engine modifications unlike the more expensive invasive fuel-injected systems in the market. See additional information at: [www.americanpowergroupinc.com](http://www.americanpowergroupinc.com).

**Caution Regarding Forward-Looking Statements and Opinions**

With the exception of the historical information contained in this release, the matters described herein contain forward-looking statements and opinions, including, but not limited to, statements relating to new markets, development and introduction of new products, and financial and operating projections. These forward-looking statements and opinions are neither promises nor guarantees, but involve risk and uncertainties that may individually or mutually impact the matters herein, and cause actual results, events and performance to differ materially from such forward-looking statements and opinions. These risk factors include, but are not limited to, the fact that, if the conversion conditions are not satisfied, the Subordinated Contingent Convertible Promissory Notes will not automatically convert into equity securities and we may be required to repay the principal and interest thereon, our dual fuel conversion business has lost money in the last six consecutive fiscal years, the risk that we may require additional financing to grow our business, the fact that we rely on third parties to manufacture, distribute and install our products, we may encounter difficulties or delays in developing or introducing new products and keeping them on the market, we may encounter lack of product demand and market acceptance for current and future products, we may encounter adverse events economic conditions, we operate in a competitive market and may experience pricing and other competitive pressures, we are dependent on governmental regulations with respect to emissions, including whether EPA approval will be obtained for future products and additional applications, the risk that we may not be able to protect our intellectual property rights, factors affecting the Company's future income and resulting ability to utilize its NOLs, the fact that our stock is thinly traded and our stock price may be volatile, the fact that we have preferred stock outstanding with substantial preferences over our common stock, the fact that the conversion of the preferred stock and the exercise of stock options and warrants will cause dilution to our shareholders, the fact that we incur substantial costs to operate as a public reporting company and other factors that are detailed from time to time in the Company's SEC reports, including the report on Form 10-K for the year ended September 30, 2014 and the Company's quarterly reports on Form 10-Q. Readers are cautioned not to place undue reliance on these forward-looking statements and opinions, which speak only as of the date hereof. The Company undertakes no obligation to release publicly the result of any revisions to these forward-looking statements and opinions that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.