Press release

For immediate release

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Princeton Power Systems Inverters Selected by Bysolar for Frequency Regulation

Princeton Power Systems Inverters with Axion Power's Batteries Provide Battery Backup for Bysolar PV System

Princeton, NJ January 21, 2014 — Princeton Power Systems, Inc., a global leader in design and manufacturing of technology products and embedded software for energy management, micro-grid operations, and electric vehicle charging, has been chosen by Bysolar Inc to provide a 500kW battery inverter system for frequency regulation and emergency backup power. Bysolar is working in conjunction with Princeton Power Systems and Axion to create a battery system alongside a 575kW solar PV system at an undisclosed facility in northern New Jersey. The battery system provides power in case of a grid outage, and generates revenue with an anticipated return-on-investments of five years.

Operating in conjunction with Bysolar's solar system installation, the Princeton Power Systems 500kW Inverter system and Axion Power's (AXPW) 300kWh of batteries moderate the power transients typical from solar production. During grid outages, Princeton Power Systems' inverter solution organizes the solar and battery combination to initiate a black-start action and automatically configures a microgrid — providing emergency backup power to maintain operations.

"We believe that the application of Princeton Power Systems' grid-tied inverter and battery controller, in combination with Axion Power's Lead Carbon (PbC®) battery technology, provide the most effective battery solution for frequency regulation on the grid," said Alan Cowe, President, Bysolar, Inc. "The ability to handle the repetitive high current charging and discharging in response to PJM's regulating signal, provides a robust capability for frequency regulation and automatic demand response activity."

"When configured for frequency regulation, the Princeton Power Systems 500kW inverter combined with Axion's 300kWH battery creates a revenue-generating backup power system," said Darren Hammell, Chief Strategy Officer and Co-Founder, Princeton Power Systems. "The investment in the system will be repaid within five years while providing the assurance that power will always be available should the grid be impaired."

About Princeton Power System

Based in New Jersey, Princeton Power Systems is a leading global designer and manufacturer of technology products and embedded software for energy management, micro-grid operations, and electric vehicle charging. Princeton Power Systems manufactures UL and CE certified power electronics for advanced battery operation and alternative energy, with built-in smart functions for grid services including peak shaving and frequency regulation. Princeton Power Systems also

integrates full systems including multiple generation sources, batteries, and other technologies, and designs, commissions, and operates micro-grids. In applications integrating generators, drastic reductions in fuel consumption has been demonstrated. Princeton Power Systems is proud to manufacture products in the USA that are in use across North America, Europe, Asia and the Caribbean with current projects soon expanding our presence to Africa. More information about Princeton Power is available at www.princetonpower.com.

About Bysolar, Inc

Bysolar Inc. is a turnkey, solar design and installation company located in Denville, NJ, that has deployed solar electric systems on commercial, industrial and residential properties. With the advent of advanced lead-carbon battery technology, providing superior performance, ruggedness, longevity, over a wide range of temperatures, Bysolar in focusing on the deployment of distributed battery/solar systems for commercial properties and the supply of battery backup conversion kits for smaller solar installations.

By combining solar and battery technology with effective communications and controls, Bysolar offers systems with revenue generating potential while providing emergency backup power. On-grid applications include demand response, peak shaving, frequency regulation, while off-grid applications include EV charging stations and energy supply for unattended communications equipment.

About Axion Power International, Inc. (AXPW)

Axion has developed and patented a next generation energy storage device that won the prestigious Frost & Sullivan Technology Award for North America in the field of lead-acid batteries. According to Frost & Sullivan, Axion's new PbC® batteries have "the potential to revitalize the lead-acid battery industry by breathing new life into an established technology that has not been well suited to the requirements of important new applications like hybrid electric vehicles and renewable power."

Axion Power International, Inc. is the industry leader in the field of lead-carbon energy storage technologies. Axion believes its new PbC battery technology is the only class of advanced battery that can be assembled on existing lead-acid battery production lines throughout the world utilizing Axion's proprietary activated carbon electrodes. Axion's future goal, after filling their plant's lead-carbon battery production capacity, is to become the leading supplier of carbon electrode assemblies for the global lead-acid battery industry. For more information, visit www.axionpower.com

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