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Ener-Core Provides Update on Commercial Progress with Dresser-Rand and Pacific Ethanol

Notification Letter from Dresser-Rand Affirms Its Intent to Purchase Ener-Core's Power Oxidizers for Pacific Ethanol Project

IRVINE, Calif.-- Ener-Core, Inc. (OTCQB:ENCR), the world's only provider of *Power Oxidation* technology and equipment that generates clean power from low-quality and waste gases from a wide variety of industries, released an update on its pending sale to Dresser-Rand of two Ener-Core Power Oxidizers that will be coupled with the Dresser-Rand KG2-3GEF two-megawatt gas turbine generators for Pacific Ethanol's Stockton, CA plant.

On March 17, 2015, Ener-Core received a non-binding notification letter from Dresser-Rand noting Dresser-Rand's intent to issue a formal purchase order for \$2.1 million pursuant to the Supply Agreement terms of the Commercial License Agreement (CLA) that it signed with Ener-Core in November 2014. The letter characterizes the agreement with Pacific Ethanol as "a huge milestone and a great opportunity to demonstrate the importance of the Ener-Core power oxidizer," and states that the Dresser-Rand project team has already engaged and is working with the Ener-Core team.

The Letter of Intent also notes that the formal purchase order to Ener-Core is contingent upon a successful SSAT (Sub Scale Acceptance Test) as defined in the CLA and scheduled to be conducted in June 2015, after which time Dresser-Rand has agreed to issue the purchase order.

Pacific Ethanol announced its agreement with Dresser-Rand in January 2015, to install a cogeneration system including two of Ener-Core's Power Oxidizers to convert waste gas from ethanol production into electricity and steam. This agreement followed Ener-Core's November 2014 entrance into a global licensing agreement with Dresser-Rand to develop and market the Dresser-Rand KG2-3GEF gas turbine coupled with the Ener-Core oxidizer.

Alain Castro, Ener-Core's CEO, commented, "The Dresser-Rand/Pacific Ethanol project is significant for Ener-Core on several levels. Firstly, Dresser-Rand was able to secure this project with Pacific Ethanol within two months after closing a Commercial License Agreement with Ener-Core, which demonstrates that Ener-Core's strategy of partnering with leading multinational power equipment companies is already working. Secondly, it's an opportunity for Ener-Core to scale its Power Oxidizer up from 250 kilowatts to 1.75 megawatts, representing a 7x increase in power capacity. And perhaps most importantly, this is an opportunity for us to work closely with Pacific Ethanol, to show the world that it is now possible for industrial process plants (from a variety of industries) to reduce their

operating costs by converting their waste gases directly into useful clean power, while at the same time reducing their carbon footprint in a meaningful manner. The entire Ener-Core team is now working hard to deploy this project throughout the course of this year.”

Mr. Castro concluded, “We look forward to the upcoming SSAT and are fully confident that upon its successful completion we will receive the purchase order from Dresser-Rand. This is a very exciting time for our company.”

About Ener-Core

Irvine, California-based Ener-Core, Inc. designs and manufactures innovative systems that generate base load, clean power from a broad range of waste gases including methane. Ener-Core’s patented Power Oxidizer is the only solution of its kind that turns one of the world’s most potent sources of pollution into a profitable source of clean energy that can be used on site or sold to the grid. Ener-Core’s technology offers a revolutionary alternative to the flaring of gaseous pollution while generating operating efficiencies and ensuring compliance with costly environmental regulations. Ener-Core works with industries that flare or vent methane gas, especially “ultra-low-Btu gas.” Ener-Core offers a variety of platforms including the 250kW Ener-Core Powerstation EC250 (“EC250”), and its larger counterpart, the 2MW Ener-Core Powerstation KG2-3GEF/GO.

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