CLEANSPARK

NEWS RELEASE

Pioneer Announces New $2.4 Million Switchgear Order

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Subcontract for Normal and Standby Service for New Embassy in Beirut Supports Business Unit's Expected Growth Ahead of Sale to Cleanspark

FORT LEE, N.J., July 31, 2018 /PRNewswire/ -- Pioneer Power Solutions, Inc. (Nasdaq: PPSI) ("Pioneer" or the "Company"), a company engaged in the manufacture, sale and service of electrical transmission, distribution and on-site power generation equipment, and CleanSpark, Inc. (OTC BB: CLSK) ("CleanSpark"), a microgrid company with advanced engineering, software and controls for innovative distributed energy resource management systems, today announced that Pioneer's Switchgear segment has received a $2.4 million equipment order as part of a contract for the new U.S. Embassy in Beirut, Lebanon.

Pioneer's Switchgear segment is providing medium voltage switchgear, master control panels and other circuit protective equipment as part of the main electrical distribution service (normal and standby) for the facility. The job is expected to ship by the end of 2018.

As previously **announced**, CleanSpark and Pioneer have signed a definitive agreement for Cleanspark to acquire substantially all of the assets and operations of Pioneer's wholly owned subsidiary, Pioneer Custom Electrical Products (Pioneer CEP) in exchange for a combination of Cleanspark stock, warrants and notes worth approximately $10 million. The transaction is currently expected to close in the fourth quarter of 2018, and it is expected that Cleanspark will recognize the revenues and profits from this order.

Nathan Mazurek, Pioneer's Chairman and Chief Executive Officer, said, "This order is our third and largest order to date for this particular customer, all focused on Department of State projects around the world. Our ability to win these jobs is based on our ability to design and engineer custom electrical control and circuit protective schemes, as well as our expertise at integrating and coordinating a complex job halfway around the world. This new order

further bolsters the growth outlook for this subsidiary."

Mazurek continued, "We are continuing to work diligently to close the previously announced sale of our Switchgear business unit, which has been delayed somewhat due to factors that impacted our ability to promptly satisfy all of the closing conditions."

Zachary Bradford, CleanSpark's President and Chief Financial Officer stated "Pioneer CEP's continued success in adding new deployments like this one, along with CleanSpark's rapidly expanding ability to add intelligent, cloud-honed, localized controls and optimization into both new and existing switchgear solutions should provide greater value to all stakeholders across both business units. We are pleased with the broad acceptance we've experienced so far as we present an integrated, 'first of its kind' solution within the industry."

About Pioneer Power Solutions, Inc.

Pioneer Power Solutions, Inc. manufactures, sells and services a broad range of specialty electrical transmission, distribution and on-site power generation equipment for applications in the utility, industrial, commercial and backup power markets. The Company's principal products and services include custom-engineered electrical transformers, low and medium voltage switchgear and engine-generator sets and controls, complemented by a national field-service organization to maintain and repair power generation assets. Pioneer is headquartered in Fort Lee, New Jersey and operates from 12 additional locations in the U.S., Canada and Mexico for manufacturing, centralized distribution, engineering, sales, service and administration. To learn more about Pioneer, please visit its website at **www.pioneerpowersolutions.com**.

Safe Harbor Statement:

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Such statements may be preceded by the words "intends," "may," "will," "plans," "expects," "anticipates," "projects," "predicts," "estimates," "aims," "believes," "hopes," "potential" or similar words. Forward-looking statements are not guarantees of future performance, are based on certain assumptions and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company's control, and cannot be predicted or quantified and consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) the Company's ability to expand its business through strategic acquisitions, (ii) the fact that many of the Company's competitors are better established and have significantly greater resources, and may subsidize their competitive offerings, (iii) the Company's dependence on a few large customers for a material portion of its sales, (iv) the potential loss or departure of key personnel, (v) the fact that fluctuations between the U.S. dollar and the Canadian dollar will impact the Company's results, (vi) market acceptance of existing and new

products, (vii) restrictive loan covenants or the Company's ability to repay or refinance debt under its credit facilities that could limit the Company's future financing options and liquidity position and may limit the Company's ability to grow its business, (viii) general economic and market conditions, (ix) unanticipated increases in raw material prices or disruptions in supply, (x) the fact that the Company's Chairman controls a majority of the Company's combined voting power, and may have, or may develop in the future, interests that may diverge from yours, (xi) reported material weaknesses in the Company's internal control over financial reporting, and (xii) the fact that future sales of large blocks of the Company's common stock may adversely impact the Company's stock price. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the Securities and Exchange Commission, including the Company's Annual and Quarterly Reports on Form 10-K and Form 10-Q. Investors and security holders are urged to read these documents free of charge on the SEC's web site at **www.sec.gov**. The Company assumes no obligation to publicly update or revise its forward-looking statements as a result of new information, future events or otherwise.

Contact:

Brett Maas, Managing Partner
Hayden IR
(646) 536-7331
brett@haydenir.com

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