

July 7, 2014



WindStream Technologies' Response to Misleading Information Being Disseminated Online

NORTH VERNON, IN -- (Marketwired) -- 07/07/14 -- WindStream Technologies has issued the following letter:

Dear WindStream Shareholder,

I would like to take the opportunity to address recent negative and misleading anonymous articles about our company that were posted on a financial website(s). Before doing so, I will briefly update you on our progress to date.

I started WindStream in July of 2008 with the goal of creating a technology that would fill a need in the urban marketplace for a low cost, highly efficient, small wind technology. My colleagues and I designed, prototyped, tested and deployed a first-of-its-kind, fully integrated "hybrid" wind and solar distributed energy solution. We were able to perform all of the research and development with the support of Purdue University and a grant from the State of Indiana. Our technology, which is now fully patented, can be seen all over the world on residential, commercial and Government buildings, producing cheap, clean, renewable energy.

We have introduced the Company's products into markets not only in the United States, but in developing economies where energy is inconsistent or non-existent or where energy costs are many times greater than those in the U.S. These emerging economies represent a huge business potential for WindStream and as such have become the core focus for the Company.

Here are some of the more significant events of the past year (more detailed explanations can be found in the "Company 2014 Roadmap" on our website, <http://ir.windstream-inc.com/press-releases/detail/4/a-global-opportunity-windstreams-2014-roadmap>)

1) June 2014: The Company received a \$2 million working capital line of credit through GBC International Bank of California, backed by the Company's \$4 million Exporters Insurance Policy with the Export-Import Bank of the United States (EXIM Bank). <http://finance.yahoo.com/news/windstream-technologies-secures-2mm-working-110000577.html>

2) June 2014: The Company opened offices in India to support sales and international growth. <http://finance.yahoo.com/news/windstream-technologies-opens-india-office->

[110000625.html](#)

3) In 2014 we received a second order from JPS for \$8 million, bringing the JPS sales to over \$22 million worth of purchase orders, which the Company is currently delivering on. <http://finance.yahoo.com/news/8-100-000-po-windstream-130000097.html>

4) April 2014: The Company signed with Burnham Financial, the prestigious investment bank, to secure the needed funding to help facilitate our global growth strategy. <http://finance.yahoo.com/news/windstream-technologies-signs-burnham-securities-210756845.html>

5) Q3 2014: The Company will begin a pilot program with BBNL, for a \$4 billion broadband hotspot initiative in India.

6) Q3 2014: The Company will submit a bid for a \$620 million rural electrification program in Peru.

7) In September of 2013, WindStream partnered with Jamaica Public Service Co. (JPS), Jamaica's billion-dollar utility company, to be our exclusive distributor in Jamaica and throughout the Caribbean. This press release can be found on the JPS Website: <http://www.myjpsco.com/news/jps-to-ink-historic-deal-to-distribute-renewable-energy-hybrid-in-jamaica-and-the-rest-of-the-caribbean/>

8) In late 2013, the Company received a strategic investment from a member of the Saudi royal family. This entity will control the distribution rights for all of the GCC countries.

9) In 2013, WindStream successfully completed a pilot with India's billion-dollar cement manufacturer, ACC Limited, and are now planning an 8MW rollout.

The recent malicious articles that were published by anonymous author(s) undermine all of the hard work and progress achieved by all of us at WindStream over the past 6 years.

To have been successfully vetted by two different billion dollar companies, JPS and ACC, as well as many other companies and individuals located all over the world is something we are very proud of and no author(s), especially individuals who choose to stay anonymous, can ever take that away from us.

No one at WindStream has ever been contacted by the author(s) of these articles, who freely admit that they will be taking short positions on the stock. I believe these articles were written with one goal in mind: to cast WindStream Technologies in a negative light in order to depress the stock price for their own financial gain.

Specific Examples of Factual Inaccuracies

The articles suggest that the JPS purchase orders are not real.

In fact, a simple search on the JPS website or Google will prove differently. The proof that the JPS deal is real, exists and is freely available had the author(s) taken the time to vet the Company and public statements, but that would go against everything the short authors were trying to achieve.

JPS has done an outstanding job in promoting the WindStream products and we are proud to have partnered with such a fine company. Here are links to some of the television commercials JPS has run on Jamaican TV promoting the WindStream products:

No More Fuel Charges: <https://www.youtube.com/watch?v=82lJqkfYwuo>

Easy to Own a SolarMill from the eStore: <https://www.youtube.com/watch?v=8cX0KvVKErI>

Take Control of High Fuel Costs with Energy Solutions from the eStore: <https://www.youtube.com/watch?v=2AmQa0c2dK4>

Why Choose a SolarMill: <https://www.youtube.com/watch?v=GDva4eTWeh8>

A simple Google search has produced the following links to articles in traditional print media:

<http://jamaica-gleaner.com/gleaner/20130914/lead/lead1.html>

<http://jamaica-gleaner.com/gleaner/20140530/lead/lead4.html>

http://www.jamaicaobserver.com/business/JPS-spends-US-millions-to-distribute-eco-energy-products-to-Caribbean-markets_15757634

http://www.jamaicaobserver.com/business/JPS-buys-more-solar--wind_16794727

<http://jamaica-gleaner.com/gleaner/20131031/news/news1.html>

http://www.jamaicaobserver.com/business/Windstream-Technologies-aims-for-US-120m-in-renewables-in-Ja_16435796

Recent Press through our distribution agreement in the Cayman Islands:

<http://www.cayman27.com.ky/2014/07/02/the-future-of-energy-in-cayman>

An article claims that an "SEC halt risk appears high."

In fact, the Company has complied with all SEC regulations and reporting, is generating revenue, and is in good standing.

In fact, the accusation of the existence of a material risk of an SEC halt is not supported by any evidence. The Company has not been contacted by any regulator with respect to any inquiry or investigation nor any impending, planned or even threatened halt.

In fact, the company's "super 8-K" was recently reviewed extensively by the SEC and was cleared.

An article alleges that 7.8 million shares have "mysteriously disappeared."

In fact, Vanguard Financial Trust (VFT), our single largest investor, is an insider and cannot sell its position. VFT currently holds every share purchased, which is 9.9 million

shares with warrants totaling 2.8 million shares. Those disclosures have been made by VFT and the Company.

In fact, the article is incorrect in its representations of share amounts, history of purchases and assertions of a divestiture. Either the author(s) does not know how to read public filings or has elected to ignore the public filings containing the correct information.

An article contends that contracts, distribution agreements and past pilot successes with ACC Limited, Meytek Group, Key City Trading, Suka Wind & Solar, Senan Liberia, Inc., Africa Energy Limited and Viza Networks, Limited are not real and states "as is often the case with P&D's, most of these customers are located in emerging markets."

In fact, had the author(s) contacted the Company, all contracts for the above agreements would have been made available. The one thing the author(s) did get right is that they are in emerging markets where energy is inconsistent and/or non-existent -- a good place for a low cost, distributed energy product.

There are many other factual inconsistencies in the article(s) but these examples show a clear pattern of shoddy and incomplete analysis done by the author(s) in an effort to instill fear in our shareholders and drive the Company's stock price downward for their personal gain. To make such statements in a public forum is the market equivalent of yelling "Fire!" in a crowded theater.

Posting inflammatory articles without support serves no legitimate purpose of informing or protecting the investing public. Instead, we believe it serves the purposes of those who are shorting the Company's stock, a group that apparently, and admittedly, includes the author(s) of the article(s), whomever they may be.

The Truth about WindStream Technologies

The Company has a robust order book and pipeline. Our 50,000 sq. ft. manufacturing facility in Indiana is fully operational and currently employs over 30 Americans. We have perfected our production processes allowing us to produce products that have one of the lowest "installed cost per watt" in the clean energy space, giving us a clear advantage in the marketplace.

Our team of hard working men and women are committed to making great products for a worldwide marketplace and they are passionate about what they do.

We are an American company providing American products and American jobs and that cannot be taken lightly. What we have achieved at our price point by employing Americans is something all of us are very proud of and no one can take that away from us.

WindStream Technologies is by no means the first public company that has had to deal with an attack from groups that short stocks and try to artificially manipulate the price of that stock to their own benefit. Unfortunately, we are dealing with this challenge just as we are trying to focus on building a business on sound fundamentals for the benefit of everyone involved in the Company. It is a shame to see this effort jeopardized by a few greedy individuals who write mis-leading information under anonymous names.

We are currently working with our attorneys to have these articles removed due to the inaccuracies contained within them.

In writing this letter I ask only that you seek the truth about WindStream Technologies from legitimate sources, those that have been filed as public documents (all posted on our website) or from individuals directly involved with the Company. WindStream has a policy of transparency, which we will honor at all times.

I hope that I have given you a better understanding of the Company, our projects and our desire to build great products that will have value to our customers and increase our shareholder value at the same time. This has been an unfortunate episode that the Company has had to endure and I sincerely hope that it is now behind us and that we can focus on building a business, which will grow and flourish.

Thank you very much.

Sincerely,

Dan Bates
President, CEO and Founder

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Source: WindStream Technologies, Inc.