

July 30, 2014



WindStream Technologies Shareholder Update

NORTH VERNON, IN -- (Marketwired) -- 07/30/14 -- WindStream Technologies, Inc. (OTCQB: WSTI) issued the following letter to shareholders:

Dear WindStream Shareholders,

This has been an exciting and challenging year for WindStream Technologies. I would like to update you on our progress over the last six months, which includes technological, manufacturing, marketing, and financial successes that will position WindStream for even greater growth in the future. It has also been a period in which the Company has been attacked by misleading anonymous articles, but we are confident that the value of our product and the soundness of our business model can overcome even the most malicious attacks.

Here are just a few of the highlights of the past two quarters.

Caribbean market

Our partnership with Jamaica Public Service Co. (JPS), the national utility company of Jamaica, has continued and grown. In addition to the \$14.5 million purchase order signed at the beginning of the year, we executed an order for \$8.1 million in May 2014. This new PO will greatly enhance the suite of products offered under the original agreement to include additional energy storage, back-up emergency power and custom energy monitoring, data collection and system analysis.

Our SolarMill[®] products, already available through JPS's eStores, can now be found in its retail outlets as well. JPS has advertised heavily on national television, and it is developing financing options to make the products even more attractive to consumers. A sample of the JPS marketing efforts can be found at the following links:

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>

Though based in Jamaica, JPS has a reach that extends throughout the Caribbean. That is why WSTI granted JPS the exclusive right to distribute SolarMills to a region desperate

for an economical "point of use" renewable energy solution. Consumers in Curacao and the Cayman Islands will soon be able to power their homes and businesses with WindStream products. (<http://www.cayman27.com.ky/2014/07/02/the-future-of-energy-in-cayman>).

Perhaps the most exciting recent event is WindStream's installation of the world's largest hybrid renewable energy project on the roof of the prominent law firm Myers, Fletcher & Gordon in Kingston, Jamaica. This landmark urban installation consists of 50 WindStream SolarMill units to harness available wind and solar resources. The installation is designed to generate over 106,000 kWh of renewable energy annually (25kW of wind and 55kW of solar), with a return on investment (ROI) of less than four years. Over the course of the projected 25-year life span, the energy cost savings are expected to exceed \$2 million. WindStream competed for and was awarded the project for its ability to maximize energy production and ROI within the confines of limited roof space. For full video of the installation please visit www.windstream-inc.com/installations/myers-fletcher-gordon.

India

With some 400 million people living without access to grid-supplied power or reliable and consistent energy service, India offers a massive potential market for WindStream and its products. The Indian government has had an ongoing initiative to reduce its fossil fuel consumption and bring renewable energy to the country, and those efforts are accelerating under the leadership of India's new Prime Minister Narendra Modi.

To better position itself to capitalize on this huge market, WindStream opened its first international presence last month under the banner of its wholly owned subsidiary, WindStream Energy Technologies, Pvt. Ltd. (WET), located in Hyderabad. This new entity will provide sales, marketing, engineering, and service support for the Company's products and customers as well as manage the India manufacturing operations currently in negotiations.

The Company has already had considerable success in this area. ACC Limited, the largest cement manufacturer in India, recently completed a successful pilot of the SolarMill technology and is now in the negotiation phase for large-scale deployment across its twelve plants. ACC is known and respected as a leader in sustainability, and we believe that the success of the SolarMill installations will be a model that other manufacturers, subject to the same government mandate to reduce fossil fuel consumption, will follow throughout India.

The Indian government has launched several initiatives to provide internet connectivity and rural electrification to 250,000 villages and communities throughout the country, often in remote areas unsuitable for on-grid power solutions. WindStream is positioning itself to be a part of these efforts by obtaining the necessary technical certifications from the Ministry of New and Renewable Energy (MNRE), Gujarat Energy Research & Management Institute (GERMI), and the Center for Wind Energy Technologies (CWET). Once certified, the SolarMill and its associated products will be eligible to be included as an authorized product for use within any government-promoted initiatives. Additionally, customers of the products will be eligible for the government incentives offered for the use of renewable energy products.

Global Expansion

In Q2 2014, the Company signed several new distribution agreements, expanding its reach into new territories around the world. These new distributors include Meytek Group in Turkey, a large installer of solar systems; Key City Trading from the Netherlands; B.E.S.T. Ltd. in New Zealand; Suka Wind & Solar Ltd. in Ghana, one of the country's largest solar installers; Senan Liberia, Inc. in Liberia; Africa Energy Limited in Kenya; and Viza Networks Limited in Tanzania.

Continuing its global expansion strategy, these new partnerships will increase sales opportunities for the Company and provide clean energy solutions to a combined population of over 257 million people, most of whom live beyond the reach of an available power grid.

These new agreements supplement existing partnerships in the Middle East and Latin America. In 2013, WindStream established a distribution agreement with Riyadh Renewables (RR), a new company formed to bring renewable energy to Saudi Arabia and the Gulf Cooperation Council (GCC) countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. Riyadh Renewables is not only the exclusive distributor of the WTI products for the GCC, but it is also an equity partner of WindStream. Riyadh Renewables is owned by a member of the royal family of Saudi Arabia and as such is extending its influence and credibility in securing projects throughout the region.

The Company has also completed the formation of a Latin American wholly-owned subsidiary, WindStream Technologies Latin America (WTI LatAM), which is designed to service the countries in Central and South America. The company was set up in Lima, Peru, with the intent of establishing not only a general Latin American presence, but a specific Peruvian one that can bid on government projects for rural electrification. We anticipate entering into a Memorandum of Understanding with the finance arm of the Peruvian Government, COFIDE, to help it promote its clean energy products to municipalities, local governments and entities looking to deploy low-cost renewable energy solutions. Additionally, we are seeking distribution agreements in Brazil, Argentina, Panama, Costa Rica, Columbia, and Bolivia. These potential new relationships for WindStream will take time to be fully vetted before any sales channels can be opened up and any revenue generation can begin.

In many parts of the world distributed energy solutions and technologies are the only way for people living beyond the grid to cost effectively have access to electricity and WindStream's "Hybrid" SolarMill products are a very efficient way of providing power and improving the quality of life for these millions of people.

Financial Agreements

In June of this year, WindStream began trading under the symbol WSTI in the OTC Markets of the United States.

This month, the Company received a \$2 Million working capital line of credit through GBC International Bank of California (GBCIB). Backed by the Company's \$4 million exporters insurance policy with the Export-Import Bank of the United States (EXIM Bank), the Company can now accelerate its delivery of products to key customers and can continue to build on its product manufacturing and distribution successes for customers around the

world.

"We looked at the technology that WindStream has developed, and the vast marketplace for its products and wanted to be a part of this exciting story," said GBCIB Vice President Mr. Edward Tang. "We're proud to be part of the success story that is WindStream Technologies. We are optimistic about their future as evidenced by their recent sales across global markets."

Response to Adverse Publicity

In June and July WSTI was targeted by anonymous authors publishing their content on the financial news website, Seeking Alpha. These articles written by anonymous or pseudonymous contributors were, in the opinion of the Company, to have been authored to depress the price of our stock for the personal gain of the authors or the gain of their employers or clients while taking a short position on the Company stock.

WindStream Technologies encourages writers to investigate and analyze our products and our company, but only if those writers display the journalistic integrity that their readers deserve. Our financial markets depend on the availability of full and complete -- and, most importantly, correct -- information that will allow investors to learn about a company's business practices and make informed investment decisions. Seeking Alpha's "contributors," however, elected not to contact the Company to verify any of their claims or technical assertions, or even to conduct the most rudimentary fact-checking. In consequence, their articles were filled with errors, inconsistencies, and falsehoods. We urge all shareholders and potential investors to read [the Company's response](#) to the articles' inaccuracies and false allegations.

Regrettably, Seeking Alpha has syndication agreements with reputable financial portals such as Yahoo Finance, which have given greater visibility to their often inflammatory articles. As of last week, however, Yahoo Finance will no longer syndicate articles from Seeking Alpha, perhaps, in our opinion, to avoid the obvious liability and blatant conflict of interest of syndicating articles from anonymous researchers with dubious qualifications. We applaud Yahoo's decision to protect and strengthen its reputation as a source for qualified unbiased financial information.

Invitation to visit

WindStream Technologies welcomes all journalists or analysts doing diligence on the Company to visit North Vernon, Indiana, to learn about our products. Come and meet our team, learn about our technology and its efficacy, see it firsthand. We are confident that visitors will conclude that our business is real, our customers are real, and we are delivering a quality product to a worldwide market.

The Company has been successfully vetted by two different billion-dollar companies, JPS and ACC, as well as many other companies and individuals around the world. We have gained the recognition and trust of international banks and financial services firms. We are working tirelessly to build a successful business, constantly improving our products and adding to our shareholder value.

I am proud of what we have accomplished at WindStream, and I look forward to having our story told fairly and honestly.

Warm regards,

Dan Bates
President and CEO

P.S., In an effort to keep you informed, we will be issuing quarterly reports and periodic updates. To access all the latest news about the Company please visit our website at www.windstream-inc.com and sign up for our email alerts. Thank you for your support.

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