



News Release
FOR IMMEDIATE RELEASE

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American Power Group Announces Additional California Air Resources Board Executive Order Certifications for Their Turbocharged Natural Gas® Dual Fuel System

-Certifications for Cummins ISX and Detroit Diesel DD15 Engines Will Expand Markets in California-

Lynnfield, MA – October 20, 2016 – American Power Group Corporation (OTCQB: APGI), announced today that its subsidiary, American Power Group, Inc. (“APG”), has received additional State of California Air Resources Board (“CARB”) Executive Order (“EO”) Certifications for its Turbocharged Natural Gas® Dual Fuel System. The additional CARB EO Certifications include vehicular engine models within the 2010-2012 engine years as follows:

	<u>Engine Year</u>	<u>Engine Models</u>	<u>Horsepower</u>
Cummins ISX 14.9L	2010	8 models	Up to 583hp
	2011	17 models	Up to 592hp
	2012	17 models	Up to 592hp
Detroit Diesel DD15 14.8L	2010	10 models	Up to 560hp
	2011	20 models	Up to 560hp
	2012	20 models	Up to 560hp

These latest certifications are in addition to APG’s existing CARB EO Certifications for the 2010-2013 Volvo 12.8L engine families as well as APG’s industry-leading 497 EPA posted approvals covering CAT, Cummins, Detroit Diesel, Daimler, Mack and Volvo engine families ranging in model years from 1991-2014.

Lyle Jensen, American Power Group Corporation’s Chief Executive Officer stated “APG’s dual fuel has the ability to play an important role in the reduction of diesel related criteria pollutants (NOx and Particulate Matter) in California. Our recent dual fuel emission test results from the Center for Alternative Fuel Engines and Emissions at West Virginia University on SCR emission technology has shown greater than a 50% reduction in NOx emissions compared to the federal standard. These NOx levels would qualify APG’s dual fuel solution for CARB’s future “Optional Low NOx” consideration. We also intentionally targeted certification of high-horsepower engines as there are no effective dedicated natural gas solutions in this horsepower range and it is critical fleets can retain their diesel-like power and torque for the steep-grade topography in many areas of California. It is a “win-win” scenario when it comes to improving air quality and maintaining high-horsepower performance.”

Jensen added, “With the Volvo, Cummins, and Detroit Diesel certifications, we have aggressively launched our heavy-haul dual fuel marketing program in concert with our natural gas fueling partners and an expanding network of California Dealers and Installers. RL Polk estimates there are over 30,000 California registered Class 8 trucks that are model year 2010 and newer. We are now in a position to: a) accelerate NOx reduction on the largest number of California registered trucks, b) allow fleets to achieve optional low NOx results well before California’s scheduled deadlines and c) become a major consumer of renewable natural gas (“RNG”) which is seeing phenomenal growth in California.”

About American Power Group Corporation

American Power Group's subsidiary, American Power Group, Inc. provides cost effective products and services that promote the economic and environmental benefits of our alternative fuel and emission reduction technologies. Our patented *Turbocharged Natural Gas® Dual Fuel Conversion Technology* is a unique non-invasive software driven solution that converts existing vehicular and stationary diesel engines to run concurrently on diesel and various forms of natural gas including compressed natural gas, liquefied natural gas, conditioned well-head/ditch gas or bio-methane gas with the flexibility to return to 100% diesel fuel operation to avoid any natural gas range anxiety. Depending on the fuel source and operating profile, our EPA and CARB approved dual fuel conversions seamlessly displace 45% - 65% of diesel fuel with cleaner burning natural gas resulting in measurable reductions in nitrous oxides (NOx) and other diesel-related emissions. Through our *Trident Associated Gas Capture and Recovery Technology*, we provide oil and gas producers a flare capture service solution for associated gases produced at their remote and stranded well sites. These producers are under tightening regulatory pressure to capture and liquefy the flared gases at their remote and stranded well sites or face significant oil output reductions. With our proprietary Flare to Fuel™ process technology we can convert these captured gases into natural gas liquids ("NGL") which can be sold as heating fluids, emulsifiers, or be further processed by refiners. Given pending federal methane capture regulations, we anticipate our next generation NGL processing systems will have the capability to convert the residual flared methane into pipeline quality natural gas that can be sold for a variety of dedicated and dual fuel vehicular, stationary, industrial and household uses. See additional information at: www.americanpowergroupinc.com

Caution Regarding Forward-Looking Statements and Opinions

With the exception of the historical information contained in this release, the matters described herein contain forward-looking statements and opinions, including, but not limited to, statements relating to new markets, development and introduction of new products, and financial and operating projections. These forward-looking statements and opinions are neither promises nor guarantees, but involve risk and uncertainties that may individually or mutually impact the matters herein, and cause actual results, events and performance to differ materially from such forward-looking statements and opinions. These risk factors include, but are not limited to, the fact that, our dual fuel conversion business has lost money in the last seven consecutive fiscal years and our flare gas capture and recovery business has yet to generate measurable revenues, the risk that we may require additional financing to grow our business, the fact that we rely on third parties to manufacture, distribute and install our products, we may encounter difficulties or delays in developing or introducing new products and keeping them on the market, we may encounter lack of product demand and market acceptance for current and future products, we may encounter adverse events economic conditions, we operate in a competitive market and may experience pricing and other competitive pressures, we are dependent on governmental regulations with respect to emissions, including whether EPA approval will be obtained for future products and additional applications, the risk that we may not be able to protect our intellectual property rights, factors affecting the Company's future income and resulting ability to utilize its NOLs, the fact that our stock is thinly traded and our stock price may be volatile, the fact that we have preferred stock outstanding with substantial preferences over our common stock, the fact that the conversion of the preferred stock and the exercise of stock options and warrants will cause dilution to our shareholders, the fact that we incur substantial costs to operate as a public reporting company and other factors that are detailed from time to time in the Company's SEC reports, including the report on Form 10-K for the year ended September 30, 2015 and the Company's quarterly reports on Form 10-Q. Readers are cautioned not to place undue reliance on these forward-looking statements and opinions, which speak only as of the date hereof. The Company undertakes no obligation to release publicly the result of any revisions to these forward-looking statements and opinions that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.