

Achates Power Expands Technical Team, Increases Momentum to Bring Cleaner, More Fuel-Efficient, Lower-Cost Engines to Market
37-year industry veteran John Koszewnik joins as chief technical officer

SAN DIEGO, June 16, 2011 -- Achates Power (<http://www.achatespower.com>) – developer of radically improved internal combustion engines that enhance fuel economy, reduce greenhouse gas emissions and are lower cost – continues to expand on its technical expertise as its engine nears 2,000 test hours and with the addition of 37-year industry veteran John Koszewnik as chief technical officer.

Achates Power's mission is to build fundamentally better engines to respond directly to the critical environmental and economic needs of the global transportation industry. Since its founding in 2004, the company has built state-of-the-art laboratory facilities utilizing the industry's leading-edge testing, simulation and analysis tools; expanded its team to more than 50 in-house engineers and scientists with proven technical know-how and industry expertise; developed more than 800 patentable innovations; demonstrated the superior performance of its engines; and garnered the attention of leading manufacturers around the world. Achates Power also has a highly-regarded technical advisory board (TAB) comprising National Academy of Engineering members and SAE Fellows with more than 200 years of combined experience.

As chief technical officer, Koszewnik will leverage his nearly 40 years of experience in the powertrain industry to further the development of Achates Power's clean, efficient internal combustion engine design. Koszewnik's appointment highlights the company's growth, commitment to the highest technical approach to engine innovation development and the potential in the marketplace for its technology.

"Achates Power has achieved breakthrough results because our more than 50 in-house, capable and dedicated team members have applied advanced analytical and experimental tools to modernize the opposed-piston engine, which is inherently more efficient and less costly than conventional engines," said David Johnson, CEO of Achates Power. "John Koszewnik's substantial experience bringing world-class products through development and into high-volume production will complement our existing team's research and development capabilities."

As commercial and passenger vehicle manufacturers continue to seek ways to improve fuel economy, Achates Power's engines provide a key ingredient for the future of clean, efficient and cost-effective vehicle transportation. Its engines improve fuel efficiency by more than 15 percent compared to today's best diesel engines and approximately 55 percent compared to today's conventional gasoline engine.

The company has a number of competitive advantages, including:

- Superior technical results validated by leading manufacturers and independent sources
- Fully functioning engine prototypes with nearly 2,000 test hours
- The demonstrated ability to meet the world's most stringent emissions standards– EPA10 and Euro6
- A state-of-the-art fuel lab rivaling those of OEM fuel injector manufacturers and including laser Doppler anemometry, laser-induced fluorescence and a world-class fuel bench
- Two in-house dynamometers – with complete instrumentation to record all necessary engine parameters and test cell conditions – machine shop, fuel lab and super computer
- Innovations in all areas of engine design, which are covered by more than 50 patents and patent applications

"What Achates Power has developed is set to revolutionize the engine industry and the time is right, as we need dramatically improved cars and trucks to respond to the environmental and economic challenges the world faces," Koszewnik said. "I'm looking forward to working with the impressive team at Achates Power to make engine engineering history."

Koszewnik joins the company from FEV, Inc. in Auburn Hills, Mich., where as director of production development, he was responsible for ensuring that functional requirements, quality, cost and timing of production programs were met and supported. As director of commercial engines at FEV, he also supported product development and strategic study projects for the automotive, heavy truck, locomotive and powertrain component supply industries. Prior to FEV, he worked for Case New Holland as senior vice president, construction equipment product development.

Prior to this, he was at Ford Motor Co. for roughly 30 years. During this time, Koszewnik was responsible for engineering of all Ford's V6, V8 and V10 gasoline engines. He also led Ford's North American Diesel effort, where he improved the durability and function of the Power Stroke engine while also reducing its cost. He earned a bachelor's degree in engineering from Stevens Institute of Technology and a master's degree in general management from Harvard University.

Achates Power is backed by leading venture capital firms including Sequoia Capital Partners, Rockport Capital Partners, Madrone Capital Partners, InterWest Partners and Triangle Peak Partners.

About Achates Power

Achates Power (www.achatespower.com) has developed a radically improved internal combustion engine that enhances fuel economy, reduces greenhouse gas emissions and is lower cost. Founded in 2004 – by serial entrepreneur and influential physicist Dr. James Lemke who has 90 patents, and the late John Walton – with the mission to build fundamentally better engines, the San Diego, Calif.-based company has more than 50 in-house engineers and scientists with proven technical know-how and industry expertise, coupled with the industry's leading-edge testing, simulation and analysis tools. Achates Power has received widespread recognition from groups such as *Business Week*, *AlwaysOn*, *The Guardian* and *Cleantech Group* for its leadership in the Clean Tech sector. For more information, visit www.achatespower.com.