NEWS FROM UQM

For Immediate Release

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UQM Technologies Announces Alliance to Develop a Full Electric Drivetrain System to include Motor, 2-Speed Transmission and Inverter with Transmission Control Unit for the Medium and Heavy-Duty EV Market

- UQM has chosen Eaton and Pi Innovo as the suppliers of choice for the development and production program.
- Supplier relationships with Eaton and Pi Innovo will allow UQM to meet the growth projections of the EV commercial global market including China, Europe and South America.
- UQM will begin to offer a full electric drivetrain system called the "UQM PowerPhaseDT" for the medium and heavy-duty commercial EV global markets starting in the fall of 2016.
- The "UQM PowerPhaseDT" system will enable customers to meet enhanced performance and efficiency targets.

LONGMONT, COLORADO, JUNE 16, 2016 - UQM Technologies, Inc. **(NYSE MKT: UQM)** announced today that UQM has officially begun a development and production program with Eaton's Vehicle Group and Pi Innovo, both located in Michigan. The alliance calls for Eaton to develop and supply to UQM a 2-speed transmission for an EV application, and Pi Innovo will develop and supply to UQM the transmission control unit. Together, the components will be combined with UQM's current PowerPhase® HD220/HD250 motor and inverter system to create a full electric drivetrain system called the "UQM PowerPhaseDT".

The benefits of the system will allow customers in the medium and heavy-duty EV commercial markets to achieve increased performance in areas of gradability, acceleration and efficiency. The Eaton 2-speed transmission provides a greater speed and torque range from what would normally be possible in a direct drive system, allowing a smaller electric motor to drive large vehicles. The drivetrain allows for better packaging, efficiency, greater payload capacity and lower cost when compared with direct drive or single speed drivetrain strategies. “Perhaps the biggest benefit is the fact that the 2-speed transmission keeps the electric motor operating in the highest efficiency region for a greater portion of the drive cycle,” said Josh Ley, Vice President of Technology of UQM. “This, coupled with the extremely high efficiency of the “UQM PowerPhaseDT” electric drivetrain system, will enable the highest overall vehicle efficiency, saving cost in batteries and increasing range.”

“We are excited to have chosen Eaton and Pi Innovo as suppliers for our system,” said Joe Mitchell, President and CEO of UQM. “Based on proven performance and expertise of the two suppliers, we believe that our “UQM PowerPhaseDT” system will surpass the requirements and expectations of our customers. We have done extensive market research and believe that this offering will be the ideal drivetrain solution for electric and range-extended commercial vehicles.”

UQM will have prototypes ready for customers by early fall and start-of-production units ready by early 2017. The development and production of a full electric drivetrain system will support the overarching need for full transmission systems as enhanced performance and efficiency requirements are mandated by customer drive cycle needs as well as the need to reduce battery costs and meet more stringent environmental regulations.

“We are pleased to be partnering with UQM and Pi Innovo for this joint project,” says Marco Rollero, Director, Sales and Marketing, Eaton Vehicle Group, EMEA. “Eaton always strives to provide the most innovative products supporting advanced technologies, and this new full electric drive system is an example of this. This system will help vehicle manufacturers ensure they are providing a product that helps them improve vehicle efficiency without compromising performance.”

Dr. Walter Lucking, CEO of Pi Innovo, said, “Pi Innovo’s hardware, software and applications engineers have worked closely with the UQM team to optimize the performance of the system to meet the efficiency requirements demanded by UQM’s customers. Working with UQM has been a great experience for our team and we’re looking forward to continuing our close partnership providing controls, ECUs and engineering support to customers looking to use UQM systems on their vehicles.”

About UQM

UQM Technologies is a developer and manufacturer of power-dense, high-efficiency electric motors, generators, power electronic controllers and fuel cell compressors for the commercial truck, bus, automotive, marine, military and industrial markets. A major emphasis for UQM is developing propulsion systems for electric, hybrid electric, plug-in hybrid electric and fuel cell electric vehicles. UQM is TS 16949 and ISO 14001 certified and located in Longmont, Colorado. For more information, please visit www.uqm.com.

About Eaton
Eaton is a power management company with 2015 sales of $20.9 billion. Eaton provides energy-efficient solutions that help its customers effectively manage electrical, hydraulic and mechanical power more efficiently, safely and sustainably. Eaton has approximately 97,000 employees and sells products to customers in more than 175 countries. For more information, please visit www.eaton.com.

About Pi Innovo
Pi Innovo is a world leader in the development and manufacture of electronics for the automotive, transportation, military and industrial markets. Using its OpenECU® platform, the same proven, robust, reliable electronics hardware can be applied in successive rapid prototyping development projects and fleet trials, or in production vehicles. Because all OpenECU modules are designed and manufactured by Pi Innovo, the company can meet individual customer's needs by creating custom variants from prototyping to production applications. For more information, visit www.pi-innovo.com.

This Release contains statements that constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. These statements appear in a number of places in this Release and include statements regarding our plans, beliefs or current expectations; including those plans, beliefs and expectations of our management with respect to, among other things, gaining required certifications, new product developments, future orders to be received from our customers, sales of products from inventory, future financial results, liquidity, and the continued growth of the electric-powered vehicle industry. Important Risk Factors that could cause actual results to differ from those contained in the forward-looking statements are contained in our Form 10-K and Form 10-Q's, which are available through our website at www.uqm.com or at www.sec.gov.

Source: UQM Technologies, Inc.