

Press Release

Cyclone Power Technologies Signs Agreement To Expedite Development of its Green Engine Technology

POMPANO BEACH, FL, Sept. 4, 2007. Cyclone Power Technologies, Inc. (Pink Sheets: CYPW) announced today that it has entered into a Technology Development Agreement with TETRAD Energy Corporation, Inc.

Under the terms of the agreement, TETRAD shall provide assistance to Cyclone in the late-staged development of its Green Revolution Engine™, including securing the support of scientific experts, key governmental agencies, independent testing and data-verification facilities, and private equity financiers. For its services, TETRAD has been granted a license option, which if exercised, will allow it to manufacture home and commercial generators under 15kw in size using Cyclone's external combustion, heat-regenerative engine technology.

"We are excited to be working with TETRAD in the late-stage development of our technology," stated Harry Schoell, Cyclone's CEO and inventor of the technology. "I believe that their expertise will provide great value to our progress."

TETRAD's President and CEO, Carmella Angus, has over 25 years experience in all phases of product development and has been a key strategist in the late-phase development and market launch of several successful products including one pharmaceutical product with global revenues exceeding \$12 billion. TETRAD's CTO, Martin Dudziak PhD, has worked for over 20 years in both basic and applied R&D within physics and engineering fields, including the design and delivery of alternative and conventional energy-based systems for military, medical, security and emergency applications.

"In my assessment," stated Dr. Dudziak, "the Cyclone technology is one of the most practical solutions for energy sustainability and renewability for a society so intensively based upon powered vehicles for transportation and travel. It is very practical for the world of 2008 and beyond and is adaptable to the emergence of new fuel types."

About Cyclone

Cyclone holds the U.S. patent, international patent applications, and exclusive commercial rights to the Green Revolution Engine(tm), an environmentally-friendly and highly-efficient external combustion, heat-regenerative engine. Developed Cyclone's President and CEO, Harry Schoell, the Green Revolution Engine regenerates (or recycles) its heat, which allows it to run cleaner, cooler and more efficiently than traditional internal combustion engines. It is capable of running on any liquid or gaseous fuel, including ethanol and propane, and is lubricated with de-ionized water instead of motor oil. By eliminating many subsystems like oil pumps, radiators, catalytic converters and fuel injectors, Cyclone's Green Revolution Engine is expected to cost less to manufacture, operate and maintain; however, it is highly scalable and sufficiently powerful for applications ranging from lawn equipment and small home generators, large stand alone generators, to cars, trucks, buses, RV's, boats and ships, as well as earth moving equipment and locomotives.

Safe Harbor Statement

This release contains certain "forward-looking" statements, as well as historical information, involving risks and uncertainties, which are covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that the expectations reflected in these forward-looking statements will prove to be correct. Forward-looking statements include those that use forward-looking terminology, such as the words "anticipate," "believe," "estimate," "expect," "intend," "may," "project," "plan," "will," "shall," "should," and similar expressions, including when used in the negative. Although we believe that the expectations reflected in these forward-looking statements are reasonable and achievable, these statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Such statements are based on management's current expectations and are subject to certain factors, risks and uncertainties that may cause actual results, events and performance to differ materially from those referred to or implied by such statements. Additionally, the company's actual or future results may differ materially from those anticipated depending on a variety of factors, including continued acquisition and maintenance of favorable license arrangements, success of market research identifying new product opportunities, successful introduction of new products and continued product innovation, sales and earnings growth, and general economic conditions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking

statements attributable to us are expressly qualified in their entirety by these and other factors. Cyclone Power Technologies does not intend to update any of the forward-looking statements after the date of this release to conform these statements to actual results, reflect events or circumstances or to changes in its expectations, except as may be required by law.

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INDUSTRY KEYWORD: Industrial Technology & Services

SUBJECT CODE:

ENERGY SOFTWARE

LICENSING

Licensing Agreements

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