

Return Customer Provides DSIT with an Additional Development and Production contract valued at \$1.75M

Givat Shmuel, Israel (August 5, 2011) DSIT Solutions Ltd., a subsidiary of Acorn Energy Inc. (NASDAQ: ACFN), announced that its Projects Division was awarded a new manufacturing and simulator development contract valued at approximately \$1.75 million. The customer is a leading integrator with whom DSIT enjoys a long and mutually beneficial business relationship. Work on the project has already begun and is expected to be completed in the middle of 2012. The customer has indicated that there is the potential for significant follow up orders following the completion of the project.

Commenting on the project award, Bentzi Gilboa, VP of DSIT's Projects Division stated: "In 2010 the Division was awarded an important development contract, which we successfully completed. This new contract is for the manufacture of the equipment that was derived from our original development project. We are pleased that the customer was very satisfied with the development results and has chosen to continue working with us through the manufacturing phase."

Benny Sela, CEO of DSIT said, "Our wide and growing experience in the fields acoustic systems, embedded systems and advanced signal analysis places us in a uniquely advantageous position to market elements and components developed in this area to customers around the world. We make special efforts to remain in close contact with our customers to ensure that we are always on top of what they need. Our insistence on maintaining the highest levels of state-of-the-art technology in these fields serves to ensure that our customers will always be satisfied with our solutions and come back for further projects and orders."

About DSIT

DSIT develops sonar and acoustic solutions and acts as a system integrator for advanced Security and Safety Command and Control systems. The Company's offerings are designed to provide the latest in technology and its intelligent application for the energy, commercial, defense and homeland security markets. The company's offerings include: PortView Harbor Surveillance System (HSS) AquaShield™ Diver Detection Sonar (DDS), Sonar Simulators and Trainers, Mobile Acoustic Ranges (MAR), and Underwater Acoustic Signal Analysis (UASA) systems. For more information visit www.dsit.co.il

About Acorn Energy, Inc.

Acorn Energy, Inc. is a holding company focused on technology driven solutions for energy infrastructure asset management. Our four businesses in which we have controlling interests, improve the world's energy infrastructure by making it cleaner and less expensive to operate air pollution systems for coal and gas-fired power plants (CoaLogix), more secure by providing security solutions for underwater energy infrastructure (DSIT), more reliable by providing condition monitoring instruments for critical assets on the electric grid (GridSense) and more productive and efficient by increasing oil and gas production while lowering costs through use of ultra-high sensitive seismic tools for more precise pinpointing of oil and gas reservoirs (US Seismic). For more information visit www.acornenergy.com.

Safe Harbor Statement

This press release includes forward-looking statements, which are subject to risks and uncertainties. There is no assurance that CoaLogix, DSIT, US Sensor Systems or GridSense will continue to grow their respective businesses. A complete discussion of the risks and uncertainties which may affect Acorn Energy's business generally is included in "Risk Factors" in the Company's most recent Annual Report on Form 10-K as filed by the Company with the Securities and Exchange Commission.

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