

DSIT Completes First Milestone for a Major Contract for its Underwater Acoustic Monitoring System

Wilmington, DE (June 2, 2014) Acorn Energy, Inc. (NASDAQ: ACFN), announced today that its DSIT Solutions Ltd. subsidiary has completed a design review, which is the first milestone of a contract received in late 2013 to supply and support an advanced underwater acoustic monitoring system. The total value of the contract is in excess of \$14 million of which \$11.2 million is a fixed amount with the balance being contingent on the customer's requirements.

Dan Ben-Dov, DSIT's Vice President for Sales and Marketing commented, "This order further strengthens DSIT's leading position in the area of underwater acoustic based security and defense systems. We highly respect the customer's professional screening process and are proud that it found our advanced underwater monitoring system to be the most cost-effective solution in the market."

Benny Sela, CEO of DSIT, remarked, "We are thankful for this vote of confidence in our technology and capabilities. As the contract signed calls for the supply, support and long-term maintenance of the system, we expect to have a long, productive relationship with the customer and will give this project the utmost attention and priority."

About DSIT

DSIT develops and produces sonar applications for the defense, HLS, energy and commercial markets. The company employs a world-class multi-disciplinary team of professionals that are skilled in the latest sonar and real-time technologies. DSIT products include: the Shield family of Diver Detection Sonars, Submarine Detection Sonars, Portable Acoustic Ranges, Underwater Acoustic Signal Analysis systems, sonar simulators and trainers and various other products in this field. For more information visit www.dsit.co.il.

About Acorn Energy, Inc.

Acorn Energy, Inc. is a holding company whose four portfolio companies help their customers achieve greater productivity, reliability, security, and efficiency—factors which can lead to greater profitability. GridSense[®] provides monitoring for all critical points along the electricity delivery system. OmniMetrix[™] remotely monitors emergency back-up power generation systems to increase their reliability. US Seismic Systems[®] supplies fiber optic sensing solutions to increase oil/gas production and lower costs. DSIT provides security solutions from underwater threats to naval and marine based energy assets. For more information visit: <http://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 Acorn Energy, Inc. or its operating companies will continue to grow their respective businesses, or that any of them will meet the expectations or execute the initiatives described or referred to above. A complete discussion of the risks and uncertainties which may affect Acorn Energy's business generally and the businesses of its subsidiaries is included in "Risk Factors" in the Company's most recent Form 10-K filed by the Company with the Securities and Exchange Commission.

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