



Acorn Energy Raises \$4.5 Million In Private Placement of Unregistered Shares of Common Stock and Warrants

WILMINGTON, Del., Oct. 31, 2014 (PR NEWswire) –Acorn Energy, Inc. (NASDAQ: ACFN) (the "Company" or "Acorn") today announced that it has entered into definitive agreements with accredited investors in connection with a private placement of unregistered shares common stock and warrants to purchase common stock. Upon the closing of this financing, Acorn will receive gross proceeds of approximately \$4.5 million resulting from the issuance and sale of 4,285,714 unregistered shares of common stock at a price per share of \$1.05 and warrants to purchase up to 2,142,857 shares of common stock at an exercise price of \$1.30 per share. The warrants are non-exercisable for six months after the closing of the financing and have a term of 5.5 years.

The financing, which is expected to close on or about November 5, 2014, is subject to the satisfaction of certain customary closing conditions contained in the securities purchase agreement. In connection with this financing, Acorn entered into a registration rights agreement pursuant to which Acorn will file a resale registration statement for the common stock and common stock underlying the warrants within 30 days.

Acorn intends to use the aggregate net proceeds of the financing primarily for general corporate and working capital purposes.

Maxim Group LLC acted as sole placement agent for the financing.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities. The securities offered and sold in the private placement have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, and may not be offered or sold in the United States absent registration, or an applicable exemption from registration under the Securities Act and applicable state securities laws.

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 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 Annual Report on Form 10-K as filed by the Company with the Securities and Exchange Commission.

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