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Power Efficiency Corporation Appoints New Executives and Plans to Relocate Operations and Headquarters

Las Vegas, NV., -- Power Efficiency Corporation (OTC BB:PREF.OB), a developer and international marketer of patented energy-saving devices for alternating current induction motors, announced the appointment of several new executives and its plans to relocate the company's facilities and headquarters.

The board of directors has appointed Steven Strasser as the new CEO of the company, Leonard Bellezza as the company's general manager, and John ("BJ") Lackland as interim CFO.

Mr. Strasser has been the non-executive Chairman of the company for almost two years. He is the Managing Director of Summit Energy Ventures, LLC, a private equity firm focused on investments in companies with energy technologies. Summit is a significant minority shareholder in Power Efficiency Corporation. Prior to Summit, Mr. Strasser was the founder and CEO of Northwest Power Enterprises, a firm involved in energy development, including developing sites for power plants in excess of 3,000 MW. Before becoming a successful entrepreneur he practiced law for approximately fifteen years. He specialized in finance, real estate and international law. Mr. Strasser received law degrees from McGill University in Montreal, Canada and the University of Washington in Seattle, Washington.

Mr. Bellezza has been on the company's board of directors for over three years. His background involves senior operating and consulting positions with several leading companies in the U.S. His past positions include being a Director for Abacus Solutions, LLC, and a Director in Retail Strategy and Operations for Deloitte Consulting. He was a Vice President and member of the Operating Committee at Frederick Atkins, Inc., and a Senior Vice President at Macy's. Mr. Bellezza received a B.A in Economics and an M.B.A from Rutgers University.

Mr. Lackland has been on the company's board of directors for nearly two years. He is a Director and Vice President at Summit Energy Ventures, LLC. Prior to Summit, Mr. Lackland had extensive finance and strategic planning experience, including serving as the Director of Strategic Relations at Encompass Globalization and the Director of Strategic Planning and Corporate Development at an internet business development and consulting company. Mr. Lackland received a B.A. in Politics, Philosophy and Economics from Claremont McKenna College, and an M.A. in International Studies and an M.B.A. from the University of Washington.

Power Efficiency Corporation also plans to close the company's office in Livonia, Michigan and move the company's facilities into offices in Carlstadt, New Jersey and Las Vegas, Nevada. The company plans to move headquarters to Las Vegas, where its new CEO and interim CFO are located. In Carlstadt the company will carry on its R&D efforts, have the bulk of its sales activities, and manage the outsourcing of its manufacturing to select contract manufacturers.

Mr. Nicholas Anderson, the company's founder, CTO and the inventor of the company's core technology, said, "I am very happy that we are bringing Steve, Len and BJ into the company as executives. I am also very pleased we are bringing together the company's manufacturing, sales and R&D efforts to our new

facility in New Jersey. This will help the company align its efforts in this area, reduce overhead costs, and be in close proximity to our major sales opportunities in the northeast."

The company's previous CEO, Mr. Richard Koch, resigned from the company for personal and health reasons. Mr. Keith Collin, the company's previous CFO, has also resigned and will be pursuing other employment opportunities in Michigan, his home state.

Power Efficiency Corporation's controllers, which it produces for major elevator and escalator manufacturers as well as under its own label, deliver up to 40% energy savings in AC motors. These electric motors are found in machines throughout industrial sites, commercial facilities and home appliances. The controllers also provide significant motor life extension and downtime reduction benefits, and are UL compliant and CE and CSA certified.

The statements contained in this release, which are not historical facts, may be deemed to contain forward-looking statements, including, but not limited to, deployment of new services, growth of customer base, and growth of service area, among other items. Actual results may differ materially from those anticipated in any forward-looking statement with regard to magnitude, timing or other factors. Deviation may result from risk and uncertainties, including, without limitation, the Company's dependence on third parties, market conditions for the sale of services, availability of capital, operational risks on contracts, and other risks and uncertainties. The Company disclaims any obligation to update information contained in any forward-looking statement.

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