Encompass Holdings' RETI Ships Rotary Engine for Final CARB and EPA Testing

RENO, NV, October 7, 2010 (GLOBE NEWSWIRE) -- **Encompass Holdings, Inc.** (Pink Sheets: <u>ECMH.PK</u> - <u>News</u>), <u>www.encompassholdings.com</u>, announced today that its majority owned subsidiary **Rotary Engine Technologies, Inc.**, (**RETI**) has shipped its 407cc rotary engine to Olson Ecologic Labs to complete its testing for Environmental Protection Agency (EPA) and California Air Resources Board (CARB) emissions standard certification.

RETI, having completed all of its in-house testing with outside engineering confirmation and an independent consultant to oversee that correct EPA procedures and requirements are met, has shipped its 407cc rotary engine to Olson Ecologic Labs in California to begin formal testing for EPA and CARB certification.

Larry Cooper, **RETI** CTO, stated, "We have been planning to send our engine to the lab for final testing for some time but had decided to delay shipment until all of the funding commitments were in place to make sure this process could be completed successfully. Our waiting time has been well spent, as we were actually able to make a few technical improvements on our final test results. We are highly confident that our rotary engine's emissions analysis will fall well under the EPA limitations and meet the more stringent CARB requirements. It's important to note that our in-house test results show our engine meeting or exceeding these standards without the use of a catalytic converter, a first for rotary engines."

"We will begin assembling engines for the <u>Aqua Xtremes, Inc.</u> XBoard (personal water craft) pilot production run for in-house demonstration models and for marketing by various distributors. Our goal is to be in position for a full market introduction of our certified rotary engine equipped XBoard by early spring of 2011," stated Scott Webber, CEO of **Encompass Holdings, Inc.**

Webber continued, "The same technology used in certifying our 407cc 32 hp rotary engine will be used in our larger engines including our functional 512 hp natural gas fueled rotary engine currently in production-ready status. We will also continue development of our alternative and hybrid fuel initiatives. Once our rotary engine has been officially proven and certified EPA and CARB compliant, we will be able to move forward with multiple projects such as generators, compressors, pumps, and other commercial applications."

Forward-looking statements in this news release are made under the ``Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995. Certain important factors could cause results to differ materially from those anticipated by the forward-looking statements, including the impact of changed economic or business conditions, competition, the success of existing and new product releases and other risk factors inherent in product development and other factors discussed from time to time in reports filed by the company with the Securities and Exchange Commission.

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