

For Immediate Release**COMPOSITE TECHNOLOGY RECEIVES ORDER FROM GENERAL CABLE FOR SECOND
AMERICAN ELECTRIC POWER INSTALLATION**

Irvine, CA – September 1, 2006 – Composite Technology Corporation (CTC) (OTC Bulletin Board: CPTC) is pleased to announce that its subsidiary, CTC Cable Corporation (CTC Cable) received a new order from General Cable Corporation (General Cable) for ACCC cable for an American Electric Power (AEP) installation. The reconductoring project will use 60 linear miles of ACCC cable for a line from Bluff Creek to South Abilene in Texas. It is the second ACCC installation for AEP, which has a value in excess of \$2 million and includes cable, hardware, and extended warranty.

This order follows an installation by AEP in San Antonio, Texas earlier this year and underscores AEP's confidence in ACCC cable and the solution it provides for constrained transmission lines. The new order is for General Cable's TransPowr™ ACCC Drake 1020 kcmil conductor, which incorporates CTC's proprietary cable technology. Installation is slated for the first calendar quarter of 2007. ACCC's high strength composite core allows for 28 percent more conductive aluminum in the same diameter cable with the same overall weight as a conventional steel core conductor, enabling ACCC cable to carry more electricity more efficiently. Additionally, ACCC's composite core demonstrates significantly less high temperature sag which enables the line to operate at much higher temperatures than traditional cables.

"We are pleased with this repeat order and the relationship that we, General Cable and AEP have developed over the past year. The confidence that AEP has shown in our ACCC cable and the General Cable/CTC Cable team is greatly appreciated and is a key component of our long term relationship," noted Benton Wilcoxon, Chairman and CEO of CTC.

CTC Cable makes composite core for use in ACCC cable in a variety of sizes for use in the transmission and distribution of electricity. ACCC cable is currently available through General Cable in the USA and Canada; and through CTC Cable in Asia, the United Kingdom, Europe, the Middle East and India.

About CTC:

Composite Technology Corporation, based in Irvine, California, USA develops, manufactures and sells high performance electrical transmission and renewable energy generation products through its two principal subsidiaries:

- CTC Cable Corporation produces composite rod for use in its proprietary ACCC aluminum conductor composite core. ACCC conductors virtually eliminate the sag in power lines caused by high current and high line temperatures. ACCC conductors also reduce electricity line losses, and have demonstrated significant savings in capital and operating expenses when substituted for other conductors. ACCC conductors enable grid operators to eliminate blackouts and brownouts, providing a 'reserve electrical capacity' by operating at higher temperatures. ACCC conductors are an innovative solution for reconductoring power lines, constructing new lines and crossing large spans. ACCC composite rod is delivered to qualified conductor manufacturers worldwide for local ACCC conductor production and resale into local markets.
- EU Energy Ltd produces, sells, and licenses, through its subsidiaries, the DeWind series of wind energy turbines including the 50Hz D6 rated at 1.25 megawatts (MW) and the 50Hz D8 rated at 2MW, both noted for their reliability. In 2007, the new 2MW D8.2 is planned to be delivered to North American customers from assembly operations in Lübeck, Germany. The D8.2 utilizes the advanced WinDrive® hydrodynamic torque converter developed by Voith AG with a synchronous AC generator that is able to connect directly to the grid without the use of power conversion electronics. The DeWind 8.2 will be available in both a 60Hz and 50Hz version.

For further information visit our websites: www.compositetechcorp.com & www.eunrg.com
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This press release may contain forward-looking statements, as defined in the Securities Reform Act of 1995 (the "Reform Act"). The safe harbor for forward-looking statements provided to companies by the Reform Act does not apply to Composite Technology Corporation (Company). However, actual events or results may differ from the Company's expectations on a negative or positive basis and are subject to a number of known and unknown risks and uncertainties including, but not limited to, competition with larger companies, development of and demand for a new technology, risks associated with a startup company, risks associated with international transactions, general economic conditions, availability of funds for capital expenditure by customers, availability of timely financing, cash flow, timely delivery by suppliers, successful integration of the EU Energy acquisition, ability to produce the turbines and its components, ability to maintain quality control, collection-related risks from international transactions, or the Company's ability to manage growth. Other risk factors attributable to the Company's business may affect the actual results achieved by the Company including those that are found in the Company's Annual Report filed with the SEC on Form 10-K for fiscal year ended September 30, 2005 and subsequent Quarterly Reports on Form 10-Q and subsequent Current Reports filed on Form 8-K and including those pertaining to EU Energy that will be included with or prior to the filing of the Company's next Quarterly or Annual Report.