

FOR IMMEDIATE RELEASE

April 9, 2010

STRATEGIC UPDATE

DATELINE: SOUTHBOROUGH, MA; Protonex Technology Corporation, (“Protonex” or “the Company”), (LSE AIM: PTX and PTXU), a leading provider of advanced fuel cell systems, today announces that it will be concentrating more of its product development and marketing resources on its promising propane-fueled P125-B system which will target recreational vehicle (“RV”) and other consumer markets. As a result, the Company has decided not to proceed with the spring launch of its methanol-fueled M250-B product into the recreational vehicle market. The Company will continue to test market the M250-B into several other commercial and industrial applications including backup and remote power.

The following factors have contributed to this decision:

- The Company’s solid oxide (SOFC) platform has made very strong technical progress in the last two quarters. Fully functional P125 units are operational, early tests have been very encouraging, and the Company is embarking on the final product design turn before launch.
- Market research by Protonex with strategic partners, industry-leading OEMs, customers, and beta test sites has indicated a strong preference toward propane fuel for many consumer applications. Propane is widely available, relatively inexpensive and integrated into many vehicles and locations.
- The Company is keen to focus resources on fulfilling a recently-awarded \$3.3 million contract from the US Department of Defense for the refinement and production of its methanol-fueled M250-CX product. The military prefers methanol over propane for battlefield safety considerations.
- The shift to the P125-B system has allowed the Company to reduce overall headcount, operating costs, and cash burn by consolidating its product development efforts. Consequently, the Company’s annualised operating expense is expected to reduce by approximately \$2.4 million.

Protonex expects to begin placing “beta” P125-B units with customers and strategic OEM partners by November of this year and is targeting a full product launch in Q1 2011, several months ahead of the start of the RV season. Derivative products on the P125-B (higher power, alternative configurations) are expected to follow later in 2011 and beyond.

Commenting on the news, Scott Pearson, President and Chief Executive at Protonex said:

“Protonex is fortunate to possess a set of platforms that can operate on a wide range of fuels and provide our customers with highly-optimised solutions. We are now fully committed to what we see as one of our most promising opportunities – propane-fueled SOFC power solutions for the consumer markets. We have been working toward this opportunity since purchasing Mesoscopic Devices and its SOFC technology in 2007”.

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Notes to Editors

About Protonex Technology Corporation

www.protonex.com

Protonex Technology Corporation develops and manufactures compact, lightweight and high-performance fuel cell systems for portable power applications in the 100 to 1000-watt range. The Company's fuel cell systems are designed to meet the needs of military, commercial and consumer customers for off-grid applications underserved by existing technologies by providing customizable, stand-alone portable power solutions and systems that may be hybridized with existing power technologies. The Company is headquartered in Southborough, Massachusetts.

This announcement includes statements which are, or may be deemed to be, "forward-looking statements". All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding Protonex' financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to Protonex' products and services) are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Protonex to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. These factors include but are not limited to those described in the Admission Document issued in connection with the Company's admission to AIM.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this announcement speak only as at the date of this announcement and are subject to risks relating to future events and other risks, uncertainties and assumptions relation to Protonex' operations, results of operations, growth strategy and liquidity.