



FOR IMMEDIATE RELEASE

September 17, 2009

**PROTONEX RECEIVES \$598,813 TO EXTEND CAPABILITIES OF UNMANNED AERIAL
VEHICLE PROPULSION SYSTEMS**

DATELINE: SOUTHBOROUGH, MA; Protonex Technology Corporation (LSE: AIM: PTX and PTXU), a leading provider of advanced fuel cell power systems for portable, remote and mobile applications, today announced that it has received a \$598,813 contract with the U.S. Naval Research Laboratory (NRL) for advanced development of high power fuel cell systems for small unmanned air vehicles (UAVs). This new program builds upon Protonex' portfolio of UAV power system initiatives.

Development work under this program will focus on increasing the power density of the company's Proton Exchange Membrane (PEM) UAV fuel cell system while simultaneously scaling up the power output of the system. Ultimately, the advanced system will be integrated into a small NRL plane. The resulting hydrogen fuel cell system is anticipated to provide up to 1.5 kW of power output (approximately equivalent to a 2hp engine) and double the existing system's gravimetric power density. The increase in power will provide additional capability to the UAV platform including improving climbing, maneuverability, dash speed, as well as additional payload capability.

Protonex' fuel cell power systems for small UAVs offer significant benefits over existing technologies including lower heat and noise signature compared to internal combustion engines while providing up to five times the energy density over today's advanced batteries. These advantages enable a wide range of military applications and provide an opportunity to broaden mission capabilities for small UAVs.

"We are very fortunate to have the continued support and interest from the NRL and the Office of Naval Research," commented Dr. Paul Osenar, Chief Technology Officer, Protonex. "The team is excited to have this opportunity to continue to optimize our core technology by increasing the net power of our fuel cell system while significantly improving the overall functionality of small UAVs."

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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.