



FOR IMMEDIATE RELEASE

March 9, 2009

PROTONEX AGM STATEMENT AND TRADING UPDATE

DATELINE: LONDON, UK; Protonex Technology Corporation (“Protonex” or the “Company”), (AIM: PTX and PTXU), a leading provider of advanced fuel cell systems announces that at an Annual General Meeting to be held today at 10:00 a.m., Scott Pearson, President and CEO, will make the following trading update:

“I am pleased to report that, through the first five months of our 2009 fiscal year, the Company has made significant progress in virtually all areas of its business. On the military side, we have made great strides in moving core technologies into functional prototypes and products on various portable power units, unmanned aerial vehicle (UAV) propulsion systems, and power management devices. The majority of these efforts are receiving ongoing funding from the US military. On the professional and consumer side, our primary focus has been on developing, testing, certifying and preparing the M250-B product for launch this year. Several other non-military platforms, both PEM and SOFC, are in earlier stages of development and prototyping to enable product launches in 2010 and beyond.

“At this stage of Protonex’ development, the majority of the Company’s revenues are still derived from prototype and product development contracts with the US Government, primarily with the US Military. The Company expects to sign and start several significant government contracts in the next two months. Protonex is also seeing considerable new activity around federal stimulus programs at the U.S. Departments of Defense (DoD) and Energy (DoE). Protonex is well-positioned for these incremental stimulus efforts and is pursuing them aggressively. If successful, these additional contracts would be started at Protonex in the second half of fiscal 2009 or in 2010.

“As described in its 2008 Annual Report, the Company has experienced delays in fiscal 2009 in securing and starting up several military contracts due primarily to a slow federal budget process and the recent change in Administration. The result of these contract delays is that, depending on the amount of contracts started by the Company in the second half of fiscal 2009, the Board now expects up to around a fifth of its expected fiscal 2009 contract revenue to shift into fiscal 2010.

“More encouragingly and consistent with previous guidance, the Company remains on course for launching several products in 2009. The M250-B product, targeted initially at recreational vehicle and related markets, is planned for initial availability late in the first half of calendar 2009. The market response to this product has been strong but, given the potential impact of the current economic downturn, the Company expects that consumer and professional product sales for the balance of calendar 2009 may develop more slowly than previously targeted. On the military side of the business, the Company is actively marketing its BPM and SPM power management systems to many branches of the US Military and is optimistic of generating continued evaluation-level sales and possibly a low volume order in fiscal 2009. Finally, the Company will begin delivering evaluation quantities of its M250-CX military battery charging product to its US Army customers in July, the start of the Company’s fiscal Q4. In summary, the Company views fiscal 2009 as a “set-up” year on products. The Company’s two goals around products in 2009 are: 1) to complete the design, certification and launch of several robust products and 2) to generate a small number of initial sales that pave the way for a stronger sales ramp beginning in fiscal 2010.

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“Given the near term risks to 2009 contract and product revenues mentioned above, the Board has made the decision to pursue a set of expense reduction efforts throughout the Company. These reductions should allow the Company to deliver net loss and cash burn at or near planned levels in spite of lowered expectations. These adjustments should result in a near double digit percentage reduction in the Company’s planned annual operating expenses for fiscal 2009 including reductions in employee headcount, external service provider spending, and other expense items.

“In summary, Protonex continues to perform well – executing on its business plan and meeting the bulk of its operational and financial milestones. The Company has experienced some delays in its government contracts business and remains fully aware of the potential impact of ongoing general economic weakness. In response, the Directors have chosen to react proactively by adjusting the Company’s 2009 resources and spending levels. Although the near-term economic backdrop remains challenging, the Directors of Protonex believe that the Company continues to possess the technical, operational and financial resources required for success and remain optimistic about the Company’s future prospects”.

Shareholders will next be updated when the Company’s Interim Results for the 6 months ending March 31, 2009 are released in June 2009.

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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.