



FOR IMMEDIATE RELEASE

January 20, 2010

**PROTONEX AWARDED \$1.85 MILLION CONTRACT TO DEVELOP DEPLOYABLE  
PORTABLE BATTERY CHARGER / APU SYSTEMS**

**DATELINE: SOUTHBOROUGH, MA;** Protonex Technology Corporation (LSE: AIM: PTX and PTXU), a leading provider of advanced fuel cell power systems today announces that, as anticipated in its results announcement of 13 January 2010, it has received a \$1.85 million contract award from the U.S. Army CECOM, as part of the American Recovery and Reinvestment Act of 2009, to develop and deliver advanced portable battery charger / APU fuel cell systems. This contract award also includes three option phases which, if awarded, could increase the total value of this contract to \$6.4 million and could include delivery of over 100 production units.

Under the terms of this five-month, phase one program, Protonex will develop the next-generation of its existing M250-CX platform by increasing its power output, integrating additional battery management and charging capabilities, reducing overall size and weight, and further ruggedizing the system for field use. At the conclusion of the phase one program, Protonex is expected to deliver multiple portable battery charger/APU systems to the U.S. Army for further testing and field use.

Development of a next-generation system based on the existing 250-watt platform will provide the military with lightweight, extremely quiet and fuel efficient power systems that can be used as portable field battery chargers or auxiliary power units (APUs). Use of the M250-CX could enable new mission scenarios and allow a switch to rechargeable batteries in the field, thereby reducing overall weight and saving significantly on the hundreds of millions of dollars spent annually on non-rechargeable batteries in the field by the US Department of Defense.

**Commenting on the contract, Scott Pearson, Chief Executive of Protonex said:**

*"With this significant award, our development work on the M250 platform of products has been supported to date by a total of \$9.6 million in contracts from the U.S. Army and the U.S. Department of Defense. This contract represents continuing support from our military customers and validates the need for alternative power solutions for U.S. soldiers in the field where batteries and generators fail to provide acceptable performance."*

*"In addition, the potential follow-on funding contemplated by the three program options could pave the way to low volume procurement of the M250-CX systems within the U.S. Army and other military and government agencies."*

Protonex' M250-CX system is a lightweight, 250-watt portable power system designed to meet the stringent demands of a wide range of military battery charging and auxiliary power unit applications. The unique design combines advances in fuel cell energy conversion and battery charging technology into one complete product solution to provide military battery charging and 28V auxiliary power with extremely low weight, noise, and thermal signature.

- ENDS -

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## Notes to Editors

### About Protonex Technology Corporation

[www.protonex.com](http://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.*