



FOR IMMEDIATE RELEASE

June 29, 2009

CHANGES TO PROTONEX SHARE OPTION SCHEME

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 announces two changes to its share option scheme. The first being the inclusion of an accelerated vesting provision upon a change of control and the second being an exchange offer for certain share options.

The Company's Board of Directors has approved and will incorporate a new provision in all existing and future option grants issued to employees and to future grants issued to non-executive Directors under its share option program which provides that in the event of a future change in control of Protonex, the vesting of all outstanding stock options would be accelerated such that fifty percent (50%) of all unvested option shares would become vested upon the change of control. The acceleration of vesting would not shorten the overall vesting term of the options, but rather would provide that fifty percent (50%) of the option shares that would otherwise vest periodically over the entire vesting term would vest immediately upon the change in control. Previously, the Company had no overarching provisions for accelerated vesting of options upon a change of control.

The Company's Board of Directors has also approved a program (the "Offer") to allow option holders to exchange certain existing options that have an exercise price greater than the Company's Common Shares at the expiration date of the Offer for new options to be issued at the expiration date of the Offer. The Offer period begins today, and expires at 4:00 p.m. EST on 27 July 2009, unless extended. Existing options granted from 10 May 2006 through 5 November 2008 and held by eligible employees and Directors will qualify for this Offer and may be exchanged on a one-to-one basis for new options with a strike price equal to the average of the closing bid and offer prices of Protonex's shares trading under the symbol PTX, as reported on AIM and converted into U.S. dollars on the expiration date of the exchange offer. Regardless of the vesting status of the exchanged options, new options resulting from this exchange will be unvested on the grant date and have a vesting term commencing on the date of exchange and equal to the original option grant, except options that were originally granted on 15 September 2006 which will have a two-year vesting term if exchanged.

29 June 2009 is the record date for the Offer. As at 25 June 2009, Protonex had 64,905,894 issued and outstanding Common Shares and there were 3,400,826 options eligible for this Offer. 2,152,343 of these eligible options are currently held by Directors.

The Protonex Board of Directors view options as an important way to motivate and retain key employees and believe that these changes are in the best interests of Protonex and its shareholders. The Company expects to report on the final results of the exchange Offer at the expiration of the Offer period.

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Enquiries

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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.