

FOR IMMEDIATE RELEASE

April 28, 2008

**PROTONEX AWARDED \$3.65 MILLION PROGRAM TO CONTINUE DEVELOPMENT
OF PULSETM M250 MILITARY POWER SYSTEM**

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 that it has received a \$3.65 million contract with the U.S. Army Research Office (ARO) to develop the next generation of its PulseTM M250 military power system. Protonex will continue its partnership with Raytheon (NYSE: RTN) for testing and optimization of this product, focused on the military's standards for performance and safety.

This new program, funded jointly by the OSD, ARO and the Army's Communications-Electronics Research, Development, and Engineering Center (CERDEC), follows successful completion of a previously awarded \$3.5 million contract for initial development of the PulseTM M250 system. Consistent with the terms of the initial program, announced in February 2007, Protonex recently delivered ten units to the Army and other military end users for testing. Raytheon's work on this first program included evaluation of the system's performance under shock, vibration and impact environments. Raytheon will continue to add significant value to advanced development, optimization and testing of the system under this next program.

"Our product development work for PulseTM M250, now supported by a total of \$7.15 million from the U.S. Army, has been highly successful to date," said Scott Pearson, Protonex CEO. "We were selected by the U.S. military for this product due to our proven ability to deliver leading-edge, highly durable, affordable power systems that are engineered to meet stringent military standards. This new program will accelerate our efforts to reach field-readiness and evolve Pulse M250 into its final form."

PulseTM M250 is a 250-watt power system that is designed for a diverse set of portable military applications, including field battery charging, auxiliary power units and portable power generation. The system operates on liquid methanol fuel and provides the US military with a power source that is significantly smaller, lighter, quieter and more cost effective than alternative battery or generator systems.

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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 ten to 1000-watt range. The Company's fuel cell systems are designed to meet the needs of military and original equipment manufacturer (OEM) 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.