

August 11, 2008

**PROTONEX PARTNERS WITH ENSIGN-BICKFORD AEROSPACE & DEFENSE COMPANY ON  
NEXT-GENERATION FUEL CELL 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, announces that it has received a \$301,000 subcontract from Ensign-Bickford Aerospace & Defense (EBA&D), a global leader in energetic systems, to co-develop an advanced fuel cell power source. The goal of the overall program, awarded to EBA&D by the U.S. Army Communications-Electronics Research, Development, and Engineering Center (CERDEC), is to develop a high-performance, 100-watt portable power supply for select military applications.

Under the terms of the subcontract, Protonex will provide a specially designed fuel cell system that will be joined with a fueling subsystem developed by EBA&D to produce an efficient, reliable, next-generation power source. The fueling subsystem designed by EBA&D will convert ammonia borane, a hydrogen-rich chemical compound, into hydrogen. The Protonex fuel cell system will then convert that hydrogen into electricity, which can be used by soldiers to power a variety of military devices and equipment.

The military has selected EBA&D and Protonex to develop this advanced power system to meet the need for a portable power source that can provide long-duration power without increasing soldiers' logistical burden. Fuel cells are able to generate significantly more energy per unit weight than batteries, and have lower heat and noise signatures than combustion-engine generators. For these reasons, the military views fuel cells as a critical power source for the future battlefield.

Protonex will leverage its ongoing work with the U.S. military on high-performance power sources for unmanned aerial vehicles (UAVs) and other portable fuel cell systems to meet the aggressive milestones of this program. "This subcontract is an important design win for Protonex," said Paul Osenar, Chief Technology Officer, Protonex. "EBA&D specifically chose Protonex as a partner for this effort based on the Company's existing military products and our ability to rapidly move forward toward fieldable product. We are looking forward to working closely with EBA&D to make this program a success."

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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 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.

### **About Ensign-Bickford Aerospace & Defense (EBA&D)**

[www.eba-d.com](http://www.eba-d.com)

EBA&D is the global leader in energetic systems used in minefield and obstacle breaching, military demolition, vehicle protection, tactical weapons, and space & strategic systems.

*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.*