

NEWS RELEASE

Dynetek Industries Ltd. Announces Research and Development Contract with two Key – Vehicle OEM's for a new, innovative and light weight Hydrogen Storage System for Fuel Cell Vehicles

FOR IMMEDIATE RELEASE – September 10, 2008

Dynetek Industries Ltd. ("Dynetek"), a leader in developing, producing and marketing lightweight compressed natural gas (CNG) cylinders and compressed hydrogen cylinders, announced today that it has signed a research and development contract for a new, innovative and light weight Hydrogen storage system for Fuel Cell Vehicles (FCV's). The development will include improvements in the cylinder weight, performance and costs. The improvements envisioned in this research project will bring us a step closer to storage targets set out by the U.S. Department of Energy.

Two large international vehicle Original Equipment Manufacturers (OEM's) are funding 50% of the costs of the project for total contributions of USD \$750,000.

The Contract calls for research, prototype establishment, prototype development and design verification testing, to be completed by late 2009.

"This contract reflects Dynetek's reputation in system development and supply of entire system solutions" said Dr. Christian Rasche, President and CEO, "and is an important step in the development of the next generation of hydrogen storage".

Dynetek Industries Ltd. designs, produces and markets one of the lightest and most advanced fuel storage and refueling systems for compressed natural gas, low emission vehicles and compressed hydrogen, zero-emission fuel cell vehicles. Dynetek is recognized around the world for its solutions-of-choice to the alternate fuel vehicle sector, evidenced by strategic relationships with major manufacturers around the globe. Dynetek is listed on the Toronto Stock Exchange, symbol: DNK.

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