



Dynetek Industries Ltd.
STORING ENERGY'S FUTURE

NEWS RELEASE

Dynetek Industries Ltd. Receives Government Funding for Hydrogen High Pressure Valve Development

FOR IMMEDIATE RELEASE – April 2, 2004

Dynetek Industries Ltd. ("Dynetek"), a leader in developing, producing and marketing lightweight compressed natural gas (CNG) storage cylinders and compressed hydrogen storage cylinders, announced today that the Department of Natural Resources (NRCan) has approved a proposal submitted by the Company for the development of a 700bar (10000psi) hydrogen solenoid valve.

The proposal was accepted by NRCan under Action 2000 – Efficiency and Alternative Energy Program. The contribution agreement commits the government, subject to certain contractual obligations of the Company, to fund up to a maximum of \$1.5 million over the next twelve months for 700bar valve development. This funding is in addition to the contribution agreement entered into with NRCan in October 2003 for amounts payable during 2003 and 2004 fiscal periods totaling \$484,000 for the development and certification of a 350bar (5000psi) hydrogen solenoid valve and regulator solutions.

"We are again grateful for NRCan's financial support and its recognition of the significant technological contribution this 700bar valve will bring to the hydrogen economy and in meeting OEM expectations for the commercialization of their fuel cell vehicles," said Robb Thompson, President and Chief Executive Officer of Dynetek. "Our primary goal has always been to design a consistent product which has low manufacturing cost and robust operating performance. To ensure our goals are met, we will seek third party testing and certification to confirm the highest level of product reliability for our customers. "

Dynetek will accomplish the development of a 700bar solenoid valve by redesigning the current 350bar (5000psi) valve to operate in a 700bar system, validating its functionality and robustness in addition to certifying the final product. The valve will be tested in accordance to the highest common denominators of known standards commonly recognized in the market today. The valve will be tested to certified standards by an independent authority to NGV 3.1, ECE Regulation 110 and European Integrated Hydrogen Project (EIHP rev 110).

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.

- 30 -

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