

DYNETEK REPORTS 2008 FOURTH QUARTER AND YEAR END RESULTS

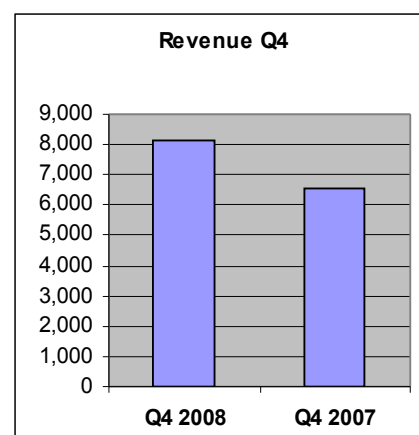
Calgary, Alberta, Canada – March 27, 2008 – Dynetek Industries Ltd. (TSX:DNK), a leader in the design, manufacturing and marketing of proprietary fuel storage cylinders and systems for compressed natural gas (CNG) and hydrogen, today reported results for the three months and the year ended December 31, 2008.

Financial Highlights of the Fourth Quarter

(tabular amounts in thousands of Canadian dollars, except common shares and per share data)

(unaudited)

	Three months ended December 31	
	2008	2007
Total revenue	8,117	6,549
Net loss before taxes	(366)	(2,153)
Net loss	(366)	(2,153)
Net loss per common share (basic and fully diluted)	(0.02)	(0.10)
EBITDA ¹	285	(652)
Cash and cash equivalents	3,797	1,348
Non-cash working capital ¹	11,565	10,082
Working capital ¹	15,770	11,838
Total assets	44,122	39,892
Long-term debt and capital lease	7,096	2,120
Capital expenditures	180	121
Cash flow from operations	1,067	2,447
Weighted average common shares outstanding	20,936,500	20,940,464



(1) EBITDA, non-cash working capital and working capital are non-GAAP measures. Dynetek defines EBITDA as earnings before interest, taxes, stock-based compensation, foreign exchange gain or loss, depreciation and amortization. Dynetek defines non-cash working capital as current assets less cash, restricted cash and current liabilities and working capital as current assets less current liabilities. Dynetek believes these non-GAAP financial measures provide investors and analysts with useful information so that they can better understand the financial results.

Revenue for the fourth quarter of 2008 was \$8.1 million compared to \$6.5 million for the same quarter of 2007, an increase of \$1.6 million or 24%. EBITDA during the fourth quarter of 2008 was \$0.3 million compared to negative EBITDA of \$0.6 million for the same quarter of 2007, a quarterly increase of \$0.9 million. EBITDA of \$0.9 million was generated during the last six months of 2008, in opposition to negative EBITDA from the first 2 quarters of 2008. The net loss for the fourth quarter of 2008 was \$0.4 million or a net loss of \$ 0.02 per share, an improvement of \$1.8 million or \$0.08 per share, compared to the 2007 net loss of \$2.2 million or net loss of \$0.10 per share for the same quarter.

The quarterly increases in revenue and EBITDA and reduction in net loss were attributable to enhanced business activities as well as additional cost control and reduction programs introduced during the second quarter of 2008.

Dynetek improved its liquidity as working capital increased by \$3.9 million, from \$11.8 million at December 31, 2007 to \$15.8 million at December 31, 2008. The improved liquidity will allow Dynetek to maintain production levels and increase its ability to fund projects related to sales and research and development.

Financial Highlights and Review of 2008

(tabular amounts in thousands of Canadian dollars, except common shares and per share data)

(unaudited)

Year ended December 31

	2008	2007
Total revenue	24,586	35,030
Net loss before taxes	(2,942)	(2,352)
Net loss	(2,942)	(4,707)
Net loss per common share (basic and fully diluted)	(0.14)	(0.22)
EBITDA ¹	(553)	1,417
Cash and cash equivalents	3,797	1,348
Non-cash working capital ¹	11,565	10,082
Working capital ¹	15,770	11,838
Total assets	44,122	39,892
Long-term debt and capital lease	7,096	2,120
Capital expenditures	384	938
Cash flow (deficiency) from operations	(2,364)	3,428
Weighted average common shares outstanding	20,936,500	20,940,464

The year over year decreases in revenue (\$10.4 million) and EBITDA (\$2.0 million) were attributable to postponed and cancelled orders which took effect beginning the fourth quarter of 2007 and persisted through the first two quarters of the year 2008, increased North American competition and reduction of customers' capital expenditures. The net loss of \$2.8 million in 2008 (\$0.14 per share), improved by \$1.9 million from the net loss of \$4.7 million (\$0.22 per share) in 2007

2008 by Quarter

(unaudited)

	Q1, 2008	Q2, 2008	Q3, 2008	Q4, 2008
Total revenue	4,449	5,015	7,005	8,117
Net loss	(1,060)	(1,480)	(36)	(366)
Net loss per common share (basic and fully diluted)	(0.05)	(0.07)	(0.00)	(0.02)
EBITDA ¹	(699)	(795)	656	285
Working capital ¹	16,303	15,300	15,680	15,770

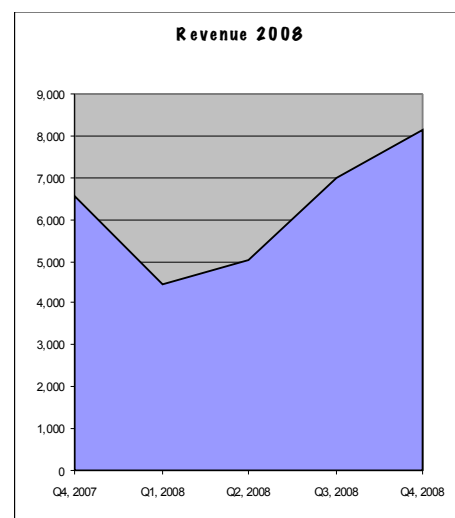
During 2008, revenue increased quarter over quarter and resulted in EBITDA of \$0.9 million during the final six months of 2008. Net loss and net loss per common share were reduced during the final six months compared to the first six months of 2008. Dynetek's working capital remained at consistent levels throughout 2008.

Second Quarter 2008 restructuring has shown immediate and positive results

In the 2nd quarter of 2008 Dynetek initiated an overhaul of the management structure. The primary drive behind this decision was a persistent economic lull in the hydrogen market activities. The purpose of the restructuring was to develop a streamlined organization with flattened hierarchies. In addition to improvements in flexibility and reaction to existing customers requirements, special attention was focused on the development of new market segments and cost control and reduction.

The increases in revenue and EBITDA since the 2nd quarter of 2008 is a direct reflection of the successful implementation of new business development plans as well as additional cost saving strategies and major improvements in production capabilities, which resulted in increased productivity.

Dr. Christian Rasche, President and CEO said "the outcome of the changes at Dynetek over the year 2008 not only allowed us to halt the downward trend of 2008, but has also positioned Dynetek to capitalize on the strong world market for alternative fuels, which, will play a significant role during the current worldwide economic situation."



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