PRESS RELEASE

For immediate release

SAFCell Inc. awarded Enhancement grant from US Army

SAFCell, teaming with UltraCell, LLC will produce a 50 watt, man-portable propane system for Army field trials by early 2017

PASADENA, California, May 16th, 2016 - SAFCell and UltraCell have commenced the design and fabrication of a 50 watt, propane-fueled power unit based on the use of SAFCell's proprietary Solid Acid Fuel Cell stacks in UltraCell's world-leading military portable power systems. This first-of-its-kind ultra-light power unit will reduce by half the total battery weight burden on the modern soldier, up to 44 pounds for a three-day mission, enabling them to carry more mission critical equipment and ammunition.

Under the SBIR Phase II Enhancement grant, SAFCell and UltraCell will focus on reducing the weight and volume of the current lab prototype unit by approximately half. The unit will then be packaged and tested under realistic conditions at UltraCell before being sent to Army for final field trials. Delivery of field trial units will culminate three years of development between SAFCell and UltraCell to combine their two technologies into the most fuel-flexible, rugged and portable fuel cell system on the planet.

Commenting on the Enhancement award, SAFCell's CEO and President Dr. Calum Chisholm said:

> *This award enables us to demonstrate the advantage of using our fuel-flexible Solid Acid Fuel Cell technology in UltraCell's ultra-rugged, portable power system design. The portability, fuel-efficiency, and silence of the final unit will make it ideal not only for military use, but for commercial applications as well.*

UltraCell designs and manufactures portable power systems for military and civilian applications using proton exchange membrane fuel cell technologies. UltraCell's system design has been developed to meet demanding military specifications.

SAFCell is working with the U.S. Army, oil and gas companies, and power system manufacturers to commercialize Solid Acid Fuel Cell systems. These quiet, clean systems operate on existing commercially available fuels, including industrial methanol, ethanol, propane, diesel and natural gas. Power sources using SAFCell products are more fuel-

efficient, virtually silent, and require significantly less maintenance than existing combustion technologies.

###

For more information contact:

SAFCell Inc.

Dr. Calum Chisholm, CEO

+1 626.795.0029 x101

UltraCell LLC

Ian Kaye, General Manager and Chief Technology Officer

+1.925.455.9400 x139

About SAFCell Inc.

SAFCell develops rugged, efficient power solutions for military and commercial applications. SAFCell's stacks are built using an innovative solid acid fuel cell design which allows fuel flexibility and reduced costs. SAFCell was formed in 2009 using technology developed and patented at the California Institute of Technology.

www.safcell.com

About UltraCell

UltraCell LLC, a wholly owned subsidiary of Bren-Tronics Inc., is a leader in fuel cells, with experience in research, product development, manufacturing, and customer applications. The company has developed new technologies and intellectual property in the field of methanol-based fuel cells and continues to innovate in this rapidly emerging field. UltraCell was the first to commercialize methanol fuel cell technology to provide clean renewable energy to power portable electronics. UltraCell's fuel cell systems are the only systems in the 25-50 watt range to have undergone extensive Military Specification qualification testing and field trials.

www.ultracell-llc.com