

Fuel Cells for Munitions

Pemery receives State of Ohio Grant for its Polymer Electrolyte Membrane Fuel Cells for Munitions

Painesville, OH – Pemery Corp. has been awarded a Third Frontier grant from the Ohio Department of Development to design, build and test 120 fuel cells of Pemery's fuel cell power source, the PEMERY(TM) P-101, for use in the U.S. Army's latest generation "smart munitions" fuze, the Precision Guidance Kit (PGK). The PGK program will improve the accuracy and effectiveness of conventional artillery ammunition residing in Army's ammunition stockpiles.

"The U.S. Army tells us that no known power source exists today capable of meeting the electrical power needs of the PGK program, and we are confident Pemery's power sources will meet this need by applying cutting edge fuel cell technology," said Pemery President David J. Pristash. He added, "This program will create the first ever large-scale production of fuel cells and is expected to create up to 400 manufacturing jobs in Ohio."

Fuel cells will be built in Painesville, Ohio, and tested in military and contractor air guns in 2006. If the P-101 is adopted as the PGK power source, production will continue at low rate through 2007, with full-rate production starting in 2008. The program is expected to run through 2020, with average annual production of 100,000 units.

"We've made substantial progress over the last four years, and this grant will foster growth in the fuel cell industry that will create jobs and grow Ohio's economy," said Lt. Governor Bruce Johnson, who serves as Director of Development.

Headquartered in Painesville, Pemery was founded by The Ashlawn Group in 2004 to organize, manage and grow fuel cell activities and to manufacture fuel cells in Ohio. More information about the company is available on the Internet at <http://www.pemerycorp.com>.

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