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Versa Power Systems Selected by Boeing to Develop Ultra-Long Endurance Aircraft Technology

Aircraft being designed to operate unattended for up to five years while handling surveillance and communications like an orbiting satellite

LITTLETON, Colo. -- June 3, 2008 -- Versa Power Systems, Inc., a leading developer of environmentally friendly Solid Oxide Fuel Cells (SOFC) that generate substantial amounts of electricity for their size and weight on a continuous basis, today announced it has been selected to work with Boeing's Integrated Defense Systems to develop an ultra-long endurance unmanned aircraft for the U.S. Department of Defense.

In the first phase of the program, awarded under a Defense Advanced Research Projects Agency (DARPA) contract, the Boeing-led team will design plans for flight-worthy scale and full-size versions of the aircraft. The long-endurance vehicle, termed Vulture by DARPA, has a performance goal of carrying a 1,000-pound payload that can remain on-station for up to five years.

Since the Vulture system must operate over extended periods, there is a premium on the need for long life and extreme reliability in every element of the aircraft starting with its power source, according to Robert Stokes, Versa Power's CEO.

"These attributes have been important drivers in our product development efforts," Stokes said. "This contract provides us another opportunity to demonstrate our ability to engineer our technology into demanding projects. Beyond that, our recent work demonstrating how SOFC technology can be integrated with other systems and fuel types emphasizes their adaptability in a range of applications."

Fuel cells consist of few moving parts, increasing their reliability over many other choices that might be considered for generating energy in a long-endurance aircraft.

"This project stands to change the way we think about surveillance aircraft," said Pat O'Neil, program manager, Boeing High Altitude Long Endurance Systems. "Right now, there are very limited means to provide continuous reconnaissance over a particular geographic region. An unmanned long-endurance aircraft like Vulture will have the advantage of providing uninterrupted intelligence-gathering and assured communications over a fixed area for extended times."

DARPA is the central R&D organization for the U.S. Department of Defense. It manages and directs selected basic and applied research and development projects, and pursues research and technology where risk and payoff are both very high and where success may provide dramatic

advances for traditional military roles and missions. Additional information about the program is available at <http://www.darpa.mil/body/news/2008/vulture.pdf>.

Solid oxide fuel cells are particularly “power dense,” generating considerably large amounts of electricity from a relatively low-weight package. They produce energy continuously as long as the basic building blocks of fuel and air are supplied.

About Versa Power Systems

Versa is a premier developer of environmentally friendly solid oxide fuel cells (SOFC), a clean-tech source of power that generates electricity for a range of applications. SOFC systems operate with virtually no emissions and at very high efficiency, making them invaluable for conserving natural resources and mitigating the impact energy production has on the ecosystem. With headquarters in Littleton, Colo., and development facilities in Calgary, Alberta, the company has built six generations of successively more powerful solid oxide fuel cell systems. To date, Versa’s technology has been integral to research projects in collaboration with partners ranging from industrial concerns (Cummins Power Generation and FuelCell Energy), to government agencies (the US Departments of Energy and Defense) and associations focused on energy research (EPRI and GTI). For more information please see www.versa-power.com.

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