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*****FOR IMMEDIATE RELEASE*****

NOBUYUKI (NORM) DENDA, FORMER INTEL K.K. CHAIRMAN, TO REPRESENT POLYFUEL IN JAPAN

Noted Technology Marketing Expert Sees PolyFuel's Performance-leading Direct Methanol Fuel Cell (DMFC) Membranes as Critical for Japan OEM's and Fuel Cell Manufacturers

MOUNTAIN VIEW, CALIFORNIA and TOKYO, JAPAN - May 21, 2004 - In response to the high degree of demand among Japanese companies in its breakthrough technology for small, lightweight, and low-cost portable fuel cells, PolyFuel today announced that Nobuyuki (Norm) Denda, former chairman of Intel K.K., and currently president and CEO of Denda Associates K.K., will represent PolyFuel in Japan.

"Limited battery run time is an ever-increasing problem for portable electronic devices," said Nobuyuki Denda, "and fuel cells are the leading technology to solve this problem. PolyFuel has a critical component for such fuel cells, and I am honored to play a role in the introduction and use of this technology in Japan by fuel cell manufacturers."

PolyFuel is the world leader in membrane technology for portable fuel cells, which are powered by methanol, a lightweight, low cost, and readily available liquid fuel. This class of fuel cell is known as the direct methanol fuel cell (DMFC). The membrane, which allows methanol and water to combine to generate electricity, is the underlying technology that makes DMFCs possible. PolyFuel has made numerous breakthroughs in material science, chemistry, and energy technologies that have resulted in a DMFC membrane that uniquely enables OEMs and fuel cell manufacturers to produce the smallest, lightest, lowest cost, and longest lasting portable power supplies.

"Leading Japanese OEM's have already announced their intention to mass-produce fuel cells, including those targeted at ordinary consumers," added Denda. "To be successful at this, it is important that such companies use the best possible technology, including the PolyFuel membrane." According to Allied Business Intelligence the market for rechargeable batteries used in portable electronic devices is in the neighborhood of \$5 billion per year. Over the next 5 years the market for portable fuel cells is projected to grow to over 60 million units.

"A significant portion of the consumer electronics products in the world come from Japan, and its neighbors Taiwan and Korea," said Jim Balcom, PolyFuel's president and CEO, "and fuel cell technology is critical to this entire region. With Japan having a high profile in the design of the most leading-edge consumer electronics products, we are pleased to be represented in this critical market by an individual who has consistently been associated in Japan with some of the most important technology trends in the world."

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Nobuyuki Denda has been Denda Associates' president and CEO since July 2001. He was formerly chairman of Intel K.K., capping an Intel career that began when he established its first Japan sales force in 1971. Denda is a member of the International Management Association.

About PolyFuel

PolyFuel is the world leader in portable fuel cell membrane technology. With the increasing trend to mobility in electronics and consumer devices, portable fuel cells offer the promise of longer run times, lighter weight, and increased user convenience over the best-available battery technology.

The heart of the portable fuel cell is its membrane, a sophisticated material that allows water and methanol - the fuel of choice for such applications - to combine to generate electricity. The efficiency of a fuel cell, and thus its run time, is almost entirely dependent upon the characteristics of this membrane. As a result of over 140 combined years of fuel cell experience, and fundamental patent applications in over 15 different patent families, PolyFuel has developed a succession of direct methanol fuel cell (DMFC) membranes that allow portable fuel cells to be smaller, lighter, quieter, less expensive and more robust than systems made with competing membrane materials.

PolyFuel was spun out of SRI International (formerly Stanford Research Institute) in 1999, after 14 years of applied membrane research. The company is based in Mountain View, California, and is privately held. Investors include Mayfield, Ventures West, Technology Partners, Intel Capital, and Chrysalix Energy.

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Additional background information is available at www.roeder-johnson.com.