

FOR IMMEDIATE RELEASE
October 24, 2005

Contact: Joseph Swider
President
540.961.2200

ALLEN ANNOUNCES DOE CONTRACT WITH VIRGINIA COMPANY
Prime Photonics to Expand its Fiber Optic Sensors for Fuel Cells under DOE Program

WASHINGTON, DC – U.S. Senator George Allen (R-VA) announced today that the U.S. Department of Energy’s Office of Fossil Energy has selected Prime Research LC, a R&D subsidiary of Prime Photonics LC, for a multiyear program to develop advanced fiber optic sensor systems for fuel cells. The work conducted under this program is an expansion of Prime Research’s existing contract with the first phase funded to \$350,000. The goal of this program is to develop a family of sapphire and silica based fiber optic sensor systems that enable increased reliability and increased performance of fuel cells currently under development by the DOE and commercial industry.

“Innovative development programs that focus on important power production technology are vital in helping America to become less dependent on foreign sources of energy,” said Senator Allen. “Technology developed under this program will enable Virginia to maintain its leadership role in driving the development of advanced energy conservation systems.”

“I am particularly pleased that this program has been awarded to one of our successful spin-off technology companies from Virginia Tech. The success of Prime Photonics is a great example of how federal and state sponsored research at our universities creates jobs, increases Virginia’s high tech base, and forges deep partnerships between the government and private industry,” said Senator Allen.

Prime Research is currently under a 3-year contract with DOE to develop novel fiber optic sensors for ultrahigh temperature fossil fuel applications including ultrasupercritical boiler systems. The sensors under development (pressure, temperature and strain) will be utilized in a variety of boiler applications including furnace heat flux, water-cooled furnace wall temperatures, monitoring of superheater surfaces, and supercritical vertical boiler tubes. Prime Research will leverage the advanced sensor development in its current program and the inherent immunity to Electromagnetic Interference (EMI) of fiber optic sensors to enable the measurement of valuable diagnostic and operational conditions within various fuel cells including solid oxide (SOFC) and molten carbonate (MCFC).

PAGE 2

ALLEN ANNOUNCES DOE CONTRACT WITH VIRGINIA COMPANY

“Our close relationship with the Department of Energy is very important to us and we are pleased to have the opportunity to expand our services on a program of such national significance” noted Joseph Swider, President of Prime Photonics, LC. “The opportunity to leverage our experience with fiber optic sensors for harsh environments with the mission of DOE’s fuel cell program is indeed a unique opportunity for our company and we are proud to be of service to the Department of Energy.”

About Prime Photonics, LC

Prime Photonics develops engineered solutions for improved reliability and condition based maintenance in military and commercial platforms. Prime’s main focus is the commercialization of industrial grade fiber optic sensor systems for harsh environments comprised of extreme temperature, extreme pressure, high electro-magnetic interference, and/or corrosive environments. The intensity of these industrial and military environments typically renders traditional sensor products obsolete for mission critical processes. Prime Photonics has fueled its growth through a combination of product sales, federal development contracts and strategic investors including Halliburton Energy Services (HES), a business unit of Halliburton (NYSE: HAL). Prime Photonics LC and Prime Research LC are headquartered at 1750 Kraft Drive, Blacksburg, VA 24060 with regional offices in Richmond and Mclean, Virginia – Phone: 540.961.2200. For more information go to www.primephotonics.com.

###