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FOR IMMEDIATE RELEASE

NEI Corporation and Farasis Energy, Inc Partner to Create High Performance Batteries

Strategic alliance will develop higher energy and power density portable power solutions with greater safety and product life than current battery technologies

SOMERSET, NJ - NEI Corporation, a proven provider of nanoengineered materials and Farasis, an advanced energy storage and conversion technology company announced the signing of a multi-year strategic alliance wherein NEI Corporation will supply nanoscale cathode materials for specialty rechargeable lithium ion batteries produced by Farasis Energy, Inc. Both companies have agreed to collaboratively develop new nanomaterials to enable advanced military and commercial lithium ion batteries.

The agreement will enable NEI to commence production of battery materials designed for Farasis through use of NEI's proprietary nanotechnology. The partnership also calls for the two companies to undertake joint development programs for government and private companies.

Keith Kepler of Farasis said "We are focused on developing and commercializing advanced battery systems to meet the needs of the next generation of high energy and power applications and access to NEI's novel nano-material manufacturing processes will accelerate our development of new, superior high power battery systems for emerging portable power applications."

"This partnership creates a value-added proposition for both companies" says Dr Ganesh Skandan, CEO of NEI. "By combining our decade-long expertise in nanomaterials science with Farasis' extensive knowledge in energy storage development and manufacturing, we will accelerate expansion of the portable power markets." Dr. Skandan added "NEI is in a good position to address these emerging battery material needs through our dual capability of performing R&D and small volume custom production in the US, and high volume competitively priced manufacturing through our joint venture in India".

About NEI Corporation

NEI Corporation develops, manufactures, and distributes nanoscale materials for a broad range of industrial and government customers around the world. The company's products incorporate proprietary nanotechnology and advanced materials science to create significant performance improvements in high-volume manufactured goods. NEI's products include advanced protective coatings, ultra-high performance battery electrode materials, nanomaterials for emerging markets, including high performance heat transfer fluids. NEI has created a strong foundation in the emerging field of Nanotechnology that has led the company

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to become a leader in selected markets. Established in 1997, the company is based in Somerset, NJ. For more information, contact NEI Corporation at (732) 868-3141 or www.neicorporation.com

About Farasis Energy, Inc

Farasis is a privately held company headquartered in Hayward, CA in the San Francisco Bay Area. The company develops and commercializes advanced battery and fuel cell systems to meet the needs of the next generation of high energy and power applications. Farasis' innovative energy solutions enable the continued expansion of the portable power markets and the widespread introduction of cost-effective efficiency technologies in the transportation, distributed power and telecommunications markets. For more information, contact Farasis Energy, Inc at (510) 732-6600 or www.farasis.com