



(the "Company")

### Supply Agreement Update

IdaTech plc (AIM IDA.L), a global leader in the development and manufacture of clean and reliable extended run backup power fuel cell products for telecommunication applications today announces an update on the status of the supply agreement between IdaTech, ACME Group ("ACME") and Ballard Power Systems Inc. ("Ballard") signed in October 2008 ("Supply Agreement").

The Company reports that the core design of the natural gas fuel cell system to be delivered under the Supply Agreement, which incorporates IdaTech's proprietary fuel reforming technology, has been completed. Additionally, IdaTech has achieved a significant cost reduction in this design through numerous technical achievements and by establishing a highly competitive supply chain. However, the development timeline has taken longer than originally planned, as it has taken longer for certain component development and to build the supply chain which is more geographically spread than originally envisaged and now spans India, China, North America and Europe. Accordingly the fuel cell system will not be available for delivery to ACME in accordance with the time line specified in the Supply Agreement. This delay means that a milestone in the product acceptance process is likely to be missed in October of this year. The Supply Agreement provides for an extension of the product acceptance process of up to 6 months if an acceptable remediation plan is submitted by 16 November 2009. Furthermore, to date IdaTech has not been able to achieve the challenging cost targets to a level that would be profitable at the price level specified in the Supply Agreement.

Under the terms of the Supply Agreement, missing this particular milestone in the product acceptance testing process may result in the termination of the Supply Agreement without penalties to any party. If the Supply Agreement is terminated, this would mean significantly lower sales for 2010, but the Directors believe it will have no material impact on the timing of cash breakeven for the Company. A further update and the results for the six months ended 30 June 2009 will be published on 30 September 2009.

The development work on both the natural gas and direct hydrogen fuelled systems over the past 11 months has brought major benefits to IdaTech with regard to the development of a global supply chain, significant cost reduction initiatives, technological innovation and system performance improvements. Many of these benefits will be applicable in the next generation of methanol - water fuelled systems currently under development and due for launch in 2010. In the event that the Supply Agreement is replaced by a more flexible agreement it will allow the Company greater freedom in shifting resources to other programs such as the next generation methanol systems, as well as modifying the product requirements to meet a broader range of applications.

The Company believes that its work carried out to date has validated that there is a value proposition for fuel cell systems in the fast growing Indian telecommunications backup market, with higher efficiency and lower maintenance costs than the incumbent diesel generators and battery banks. In addition, IdaTech launched the ElectraGen™ H2 in July; these 300 systems are currently being built in IdaTech's Mexican manufacturing facility and are being shipped to ACME over the remainder of the year. Field trial data indicate these

systems are performing very well in difficult environments and hitting their performance targets.

**Commenting on the update, Hal Koyama, CEO said:**

“IdaTech has made tremendous technical progress over the last year, driven by the focus of the ACME Supply Agreement. Working with our partner Ballard, we have broken through a significant number of the cost barriers once thought unachievable with current technology and added core pieces of new technology to our portfolio, simultaneously moving the bar on PEM fuel cell cost and performance in a very significant way. We can now see that the Indian market is a key area for the initial mass application of fuel cell products and we have one of the best partners in that market. This program has also added the natural gas product to our portfolio, with market applications that go beyond telecommunications backup power. We look forward to continue working with ACME to develop the Indian market for the range of IdaTech products.”

**Atul Sabharwal, Chief Operating Officer of ACME commented:**

“ACME is also disappointed with this delay, but feels as strongly as ever that a substantial market opportunity exists for fuel cells in wireless telecom backup and other applications in India, where a reliable, cost-effective and environmentally friendly solution is greatly needed”

**For further information please contact:**

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**About IdaTech**

IdaTech plc is an advanced fuel cell products company which is operationally headquartered in Bend, Oregon, USA and is listed on AIM with the ticker code IDA.

IdaTech designs, develops, and manufactures extended run backup power fuel cell products for Telecom applications requiring 100 W to 15 kW of backup power. IdaTech's unique PEM fuel cell technology provides solutions for a wide range of applications to directly support efforts towards sustainable energy.

IdaTech's portfolio of industry-certified fuel cell products are based on the company's fuel processing, purification and fuel cell system integration capabilities. With the support of strategic partners and customers, the company's extended run backup power products are being deployed worldwide for stationary applications.

Additional information may be obtained by contacting the company direct or by visiting its website at <http://www.idatech.com>.

