



**HYDROGEN
POWER SYSTEMS**
BUILDING A BETTER PLANET

Reducing Fuel Expense and Pollution for Internal Combustion Engines

Press Release

September 24, 2012

New Compact HPS Hydrogen Injection System Gets Results on Smaller Chevy Truck

FOR IMMEDIATE RELEASE

ESCONDIDO, CA -- In road tests in the Phoenix area, a Chevrolet diesel truck with a Hydrogen Power System On-Demand Hydrogen Generator recently achieved a 16.19 percent in fuel economy with the vehicle going from 15.87 mpg to 18.44 mpg.

The tests are further proof that the HPS hydrogen generator can help vehicles large and small attain better fuel economy.

The vehicle used in the road tests was a 2006 Chevrolet Silverado C3500 truck equipped with a 6.6 liter DuraMax Turbo Diesel engine and an Allison 6-speed automatic transmission. It is owned by Wendell K. Moate, vice president of Capital Engineering, who used the truck to travel to construction sites in Arizona, Colorado and New Mexico.

When systems was installed in 2010, the truck achieved a solid 18 percent fuel economy improvement travelling at a steady speed of 60 mph on a 50 mile stretch of flat highway.

“This recent test is closer to real driving conditions”, said Richard Connors, HPS president and chief executive. “But we are very pleased that Mr. Moate is still getting more than 15 percent improvement in fuel economy.”

To accommodate owners of smaller vehicles, HPS has developed the Series 200 hydrogen generating system, which is smaller and lighter than the Series 300 system used in larger vehicles. The new design makes it easier for customers such as Moate to easily swap the fuel - saving system from one vehicle to another. The new design can also be installed behind the driver seat of certain types of commercial delivery vans.

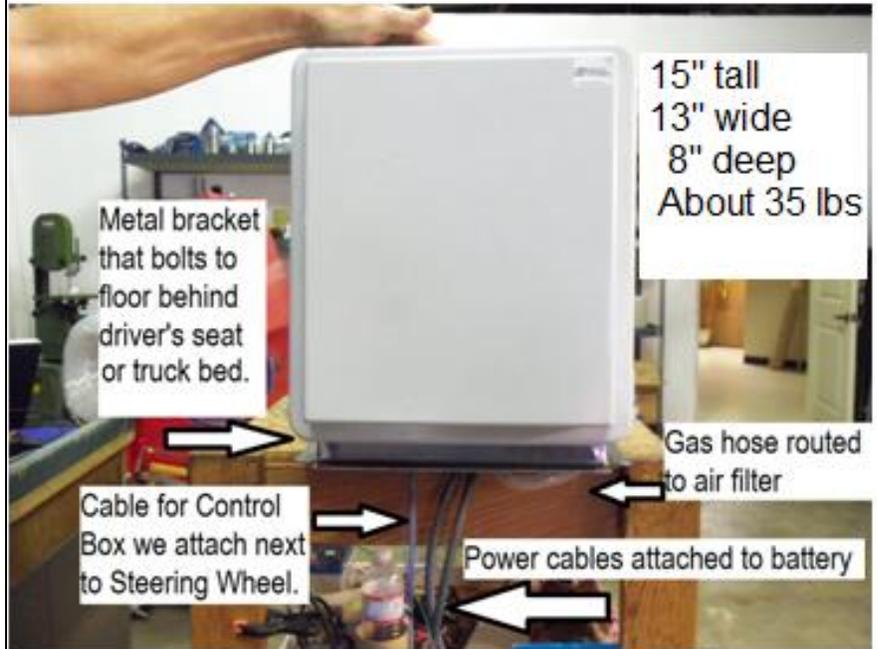
Electrolyzer Cabinet

The Series 200[®] and the components within can be built in various sizes and configurations.

The version displayed here is 15" tall, 13" wide, 14" tall and 8" deep.

It can be installed on the vehicle frame, in the bed of a pickup, or behind the driver's seat of a delivery van.

It is easy to access, service and operate.



HPS recently completed an upgrade to its Series 300 that included adding heavy duty components that provide the ruggedness needed to withstand the pounding and vibrations associated with operating environment of larger vehicles.

“The components in our Series 200 are no less rugged than those found in the Series 300,” said Connors. “And we have learned how to design and configure the Series 200 to fit into smaller boxes and smaller spaces but still deliver the economy and performance required for the vehicles for which it is designed.”

HPS will continue to accommodate customers who prefer to have all components mounted inside or near the engine compartment.

HPS recently completed a one year road test that was approved the California Air Resources Board to validate its patent pending system on three vehicles owned by Hawthorne Machinery Co., a San Diego-based Caterpillar dealer. Preliminary tests showed that HPS’s Hydrogen Enhanced Combustion System reduced particulate emissions from a 2001 Freightliner by over 30 percent and improved fuel economy by over 15%. Another Hawthorne truck, a Chevrolet C4500 stake bed delivery truck achieved a 7% fuel economy improvement. Connors says improvements in fuel economy will improve with system refinements based on more real world testing.

At the beginning of March, HPS filed an application with the California Air Resources Board to sell the hydrogen injection system in California.

HPS is also testing its system on three Nevada-based vehicles owned by Belt Transport Inc., which operates 100 DHL delivery and courier trucks in three states.

The company is also looking at application of its fuel-saving, pollution-reducing system on certain boats equipped with diesel and gasoline engines as well as diesel powered lawn mowers used by the city of San Diego.

HPS is an innovative startup company that has enhanced existing technologies to allow commercial truckers and heavy equipment operators to reduce fuel costs and meet stringent pollution standards with equipment already in service. Ultimately the company will build a separate line of hydrogen injection products for personal vehicles.

For more information contact:

Richard Connors

President

Hydrogen Power Systems, Inc.

www.Hpstech.com, Info@HpsTech.com

(855) 477-1776