



*Clean by Nature  
Powerful by Design*

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**FOR IMMEDIATE RELEASE**

## **AHL-TECH Secures Ohio and Michigan Corn Grower Financing to Build First Next Generation Ethanol-Electric Hybrid Locomotives**

*The Corn Growers' Strategic Investment in AHL-TECH Will Help Enable the Company to Produce, Test, and Demonstrate "Breakthrough" Clean and Efficient Locomotives*

**Milford, OH** -- March 20, 2008 – **AHL-TECH, Inc.** ([www.AHL-TECH.com](http://www.AHL-TECH.com)) developer of the world's first practical and cost-effective ethanol-electric hybrid locomotive technology, today announced that it has received financial support from two large state corn associations that supports the company's drive to build, test, and demonstrate its first two locomotive prototypes. AHL-TECH plans to take its "disruptive" locomotive technology to market in early 2009.

The company has targeted the full range of the locomotive market where the need for cleaner locomotives is greatest. Many locomotives are aging, quite dirty, and are in need of replacement to meet increasingly strict performance, air quality and emissions regulations, the latest of which for new and rebuilt locomotives was announced on Friday, March 14, 2008 by the U.S. Environmental Protection Agency (EPA) at <http://www.epa.gov/otaq/locomotv.htm>.

This is especially true in large urban ozone nonattainment areas, many of which are adjacent to or downwind of large ports of entry, rail yards, and other industrial areas where switch engines of this type are common. In addition to new locomotive emissions requirements, EPA last week also announced tougher ambient ozone air quality standards, which would quadruple the number of nonattainment counties in the U.S.

Some 12,000 locomotives of 2,500hp or less are in service in the U.S. today, providing AHL-TECH a market for locomotives that uniquely combine neat ethanol (E95), with off-the-shelf batteries, and a state-of-the-art proprietary Electro-Mechanical Battery (EMB). These systems are controlled by a computer and software power management system that can make the AHL-TECH ethanol power system nearly as efficient as current diesel systems, and virtually eliminate emissions of oxides of nitrogen (NOx) and particulate matter (PM). Using neat ethanol or other biofuels, the AHL-TECH system is the first of its kind specifically designed to provide far lower net greenhouse gas emissions than other available options.

According to the American Short Line and Regional Railroad Association (ASLRRA), the U.S. railroad industry today consumes about nine billion gallons of diesel fuel per year, about 20% of total U.S. demand, which is growing due to expansion of freight railroad operations, itself spurred by increases in U.S. biofuels production in the Midwest.

“AHL-TECH believes that it has the right technology at the right time to assist the U.S. fuel ethanol industry to transcend the traditional gasoline blend market,” said Tom Mack, President & CEO of AHL-TECH. “With ethanol nearing saturation at the 10% volume blend level in those states now marketing ethanol in gasoline, it is time to begin developing markets that are ripe for new engine, biofuels, and propulsion systems. Unlike fuel cells, hydrogen, and other ‘blue sky’ concepts, the AHL-TECH ethanol technology should be ready for market in 2009. We applaud the foresight of the Ohio and Michigan Corn Growers for their decision to invest in AHL-TECH today.”

The Ohio Corn Growers Association ([www.ohiocorn.org](http://www.ohiocorn.org)) provided initial agricultural industry funding for AHL-TECH in early 2007, and has renewed its commitment to the company early this year by making another investment in the company. In addition, the Corn Marketing Program of Michigan ([www.micorn.org](http://www.micorn.org)) has entered into an investment agreement with AHL-TECH to help finance company research and development activities, after the company was awarded a grant from the group in 2007.

“In 2008 AHL-TECH has hit the ground running, and in cooperation with our long-standing technical consortium including Power-Tec Engineering of Tecumseh, MI, Crown Battery of Fremont, OH, and EnergyCS of Monrovia, CA, among others, will make our ‘disruptive technology’ a reality,” Mack concluded.

### **About AHL-TECH, Inc.**

Incorporated in early 2006, AHL-TECH has developed, patented, and is prepared to manufacture the world’s first locomotive specifically designed to use ultra-clean biofuels. The AHL-TECH ethanol-electric hybrid design combines cutting edge technologies in power generation, energy storage, electronics, and software, to create locomotives capable of delivering the cleanest, most-efficient required horsepower for real-world locomotive duty cycles.

Investor Information -- To request investor information and receive Company news and e-mail updates, please visit our Website at: [www.AHL-TECH.com](http://www.AHL-TECH.com)

*Safe Harbor Statement Under the Private Securities Litigation Act of 1995 - With the exception of historical information, the matters discussed in this press release are forward-looking statements that involve a number of risks and uncertainties. The actual future results of AHL-TECH could differ significantly from those statements. Factors that could cause actual results to differ materially include risks and uncertainties such as the inability to finance the company’s operations or expansion, inability to hire and retain qualified personnel, changes in the general economic climate, including rising interest rate and unanticipated events such as terrorist activities. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue,” the negative of such terms, or other comparable terminology. These statements are only predictions. Although we believe that the expectations reflected in the forward-looking statements are reasonable, such statements should not be regarded as a representation by the Company, or any other person, that such forward-looking statements will be achieved. We undertake no duty to update any of the forward-looking statements, whether as a result of new information, future events or otherwise. In light of the foregoing, readers are cautioned not to place undue reliance on such forward-looking statements. For further risk factors see the risk factors associated with our Company, review our SEC filings.*