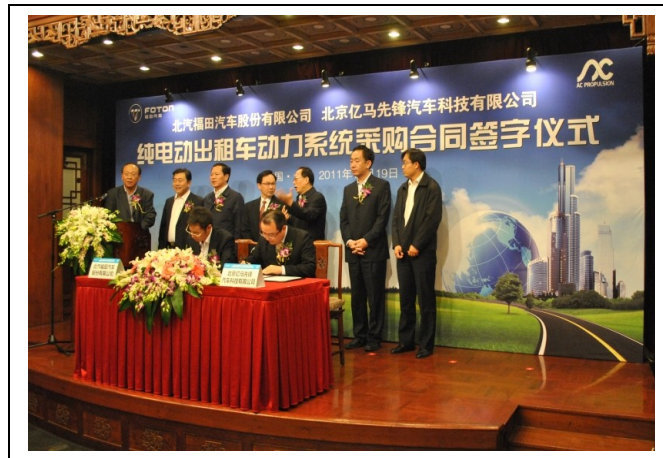




FOR IMMEDIATE RELEASE

AC PROPULSION SIGNS ELECTRIC VEHICLE COMPONENT SUPPLY CONTRACT WITH BEIQI FOTON MOTOR, CO.



(AC Propulsion China and Beiqi Foton at the Contract Signing)

BEIJING, China (October 25, 2011) – [AC Propulsion](#), a global leader in electric drive design, development and manufacturing, today announced, that its sister company e.motor Advance Corp. of Beijing, has entered into a supplier contract with Beiqi Foton Motor Co. of Beijing. The contract between the two companies provides that e.motor Advance will deliver 100 sets of its drivetrain and battery pack systems to Foton for their Midi-E electric car. The 100 Midi-E vehicles will be in service as taxis in the Yanqing area of Beijing in 2012. Beijing Vice Mayor Gou, the CEO of Foton, Mr. Wang Jinyu and Mr. William Chang, the Chairman of e.motor Advance and the majority shareholder of AC Propulsion attended the signing ceremony.

This is the first deal where a US based company will supply the major EV components for a China built EV. AC Propulsion began work with Foton Motor in early 2010 developing an EV conversion using AC Propulsion's advanced Drive and Recharge system, along with an AC Propulsion designed and built battery pack. e.motor Advance established a new facility last year located in Beijing's Yizhuang economic zone and plans to start construction of a new manufacturing facility next year with a capacity to build 30,000 units per year. Sales are expected to reach this level within 3 years. In 2005, AC Propulsion established a subsidiary manufacturing operation in Shanghai, which provided components used in the BMW Mini-E program. Present drivetrain production is a joint operation by AC Propulsion San Dimas, AC Propulsion Shanghai and e.motor Advance. San Dimas remains as the company's headquarters, engineering center, as well as limited production.



(Foton Midi-E)

About AC Propulsion

AC Propulsion is a global leader in the development, design and manufacture of electric vehicle components. AC Propulsion's proprietary tzero™ technology is a complete solution for electric vehicles, and can be customized for every class of electric vehicle, from a sports car to an SUV to an 8-ton city bus. AC Propulsion is also a leader in the development of Vehicle to Grid (V2G) capable vehicles, as well as the research and development of V2G technology.

For more information, please visit www.acpropulsion.com, [join AC Propulsion on Facebook](#) or [follow AC Propulsion on Twitter](#).