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PowerFilm, Inc
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PowerFilm Awarded \$1.7 Million Technology Development Contract

23 April 2007, LONDON, UK and AMES, IOWA - PowerFilm, Inc. (AIM: PFLM) ('the Company'), the developer and manufacturer of thin flexible solar panels, today announces it has been awarded an additional \$1.7 million technology development contract by the US Army.

The contract is for making additional improvements to the Company's manufacturing technology to reduce manufacturing costs further and support the Army's need for portable power, as well as building integrated solar power. This advanced photovoltaic technology development will benefit both the Company's military and commercial products.

Frank Jeffrey, Co-Founder and CEO of PowerFilm, said, "We are highly appreciative of the continued support the US Army is giving us to make additional improvements to our solar panel manufacturing technology. This contract will help us further reduce our manufacturing costs putting us in a strong position to supply the Army with the solar power products it needs."

Mike Coon, COO and CFO of PowerFilm, said, "This additional \$1.7 million in Army funding will substantially fund our overall manufacturing technology improvement program over the next two to three years."

PowerFilm and its CEO Frank Jeffrey also have been selected as the 2007 Region VII Prime Contractor of the Year by the US Small Business Administration (SBA). PowerFilm was nominated for this award by the US Army's Natick Soldier Research Design and Engineering Center (NSRDEC).

For further information, please contact:

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