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FOR IMMEDIATE RELEASE

NEI CORPORATION TO DEVELOP POLYMER NANOCOMPOSITES FOR SPACE AND DEFENSE APPLICATIONS

Contracts received from NASA for coatings for Mars exploration equipment and from the Office of the Secretary of Defense for transparent ballistic-resistant shields.

PISCATAWAY, NJ – NEI Corporation, a proven provider of nanoengineered materials has received two contracts, one from NASA and the other from the Office of the Secretary of Defense (OSD) to develop next generation polymer nanocomposite materials. Both programs commence in January, 2006 and have initial funding totaling \$170,000.

The focus of the program from NASA is on developing advanced silicone nanocomposite coatings for airbags that can be used on Mars Exploration Rovers. It is anticipated that the addition of NEI's proprietary nanomaterials to silicone polymers will help reduce the weight of airbags, while maintaining or increasing the seam strength. Other space applications such as inflatable space structures, parachutes, and space suits could benefit from the technology. The program will help NEI offer new nanomaterial additives to commercial customers in the transportation field, including airbags, inflatable boats, and related applications.

The OSD program will utilize similar concepts as those employed for the NASA program, but will target the ballistic resistance market. Currently, ballistic protection in optically transparent surface shields and transparent armor is provided either by thick sections of polymers, or by laminated sheets of polymer and glass. In both cases, the weight of the shield is very high. Under the OSD contract, NEI will develop new nanocomposite structures that will deliver the desired ballistic resistance with significantly less weight than the current products.

These programs build upon NEI's prior experience, which has shown that the addition of certain types of functionalized nanoparticles to commonly used thermoplastics such as PTFE and PVC, and to thermosets such as Polyurethane and Epoxy, leads to substantial improvements in wear resistance, tear strength, and modulus. Physical property enhancements have been achieved in both coatings and bulk materials.

According to Dr. Ganesh Skandan, NEI's CEO, "These two programs will enable us to strengthen our existing core competency of creating functionalized nanomaterial additives for polymeric materials and will permit us to offer improved nanomaterial solutions to our commercial and government customers around the world".



About NEI Corporation

NEI Corporation develops, manufactures, and distributes nanoscale materials for a broad range of industrial and government customers around the world. Their products incorporate proprietary nanotechnology and advanced materials science to create significant performance improvements in high-volume manufactured goods. The company's products include advanced protective coatings, ultra-high performance battery materials, and high performance heat transfer fluids. NEI has created a strong foundation in the emerging field of nanotechnology that has led the company to become a leader in selected markets. Established in 1997, the company is based in Piscataway, NJ.

For more information, contact NEI at (732) 868-1906 or www.neicorporation.com.