



MAGPLANE TECHNOLOGY

News & Press Release, April 10, 2014

Hampton, NH: April 10, 2014 – Magtrans (MagPipe) Systems Demo Project Continues in Zhangjiakou, China With Magplane Technology, Inc. Participation

This News Update provides information about Magplane Technologies, Inc. as of the end of Q1, 2014.

Magtrans System Demo Projects in China. Since the September 15, 2013 News Release, the Company has continued to provide certain design, engineering, and project management services toward completion of indoor 120-meter and outdoor 1.2-km MagPipe system demonstration projects at the ZMM campus in Zhangjiakou, China, under the subcontract with the Hong Kong entity referenced in that News Release, in which the Company holds a minority equity interest. The indoor short-track system is operational, with continued trouble-shooting and design adjustment activities. The outdoor track is scheduled to complete construction and begin test operations by June 30, 2014. See photos below.

Challenges encountered in the demonstration projects have resulted in significant MagPipe system design changes to address system cost and performance factors, with resulting adverse effects on schedule, budget, revenues, manpower, marketing, potential third-party investment, and Company finances. In addition to system design changes, the product has been re-branded to "Magtrans" to remove the implied association with conventional pipelines. Despite the challenges, difficulties, and delays, continuing expressions of interest in the technology from potential mining sector customers, primarily in Asia, have provided the HK entity, ZMM, and the Company incentive to persist in the Magtrans development and marketing effort.

Magplane Maglev Systems. Since September 15, 2013 the Company has continued to pursue conversations in Asia with potential customers, strategic allies, and potential investors regarding possible initiatives for advancing commercial development of Magplane Maglev Systems technologies and services. To date these efforts have not resulted in revenues or third-party investment, and they continue to face costly and lengthy technology and infrastructure development horizons. Company management believes its maglev solutions and China's continuing interest in maglev technologies as a 21st Century transit alternative for China justify the Company's continued commitment to the Maglev initiative.

Company Financing. Since September 15, 2013, the Company has continued to seek new direct equity investment or alternative financing for MTI to support its Magtrans and Maglev development projects. Its efforts have been unsuccessful to date, due in part to the Company's equity structure, debt circumstances, and limited revenues, and in part to the complexity and scale of technology and market development challenges for Magtrans and Maglev. The Company has sought, as well, during this time to assist third parties in Asia in bringing further financing into the HK entity to support accelerated development and marketing of Magtrans

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technology, including further support of the Company's design, engineering, and project management subcontract services. These joint efforts have succeeded thus far only to a degree sufficient to allow the Company to maintain core engineering staff and to acquire products, IP licenses, and third-party services needed to service the HK subcontract and ZMM projects.

Magplane Technology, Inc.

Founded by a group of MIT engineers, Magplane Technology, Inc. (MTI) is the developer of a unique magnetic dry bulk materials transport application ("Magtrans System") that can reduce the cost, environmental impacts, and pollution from haul roads, diesel trucks, and conventional rail spur operations typically used in transporting material from mining operations to trunk rail heads and port terminals. Magplane Technology is also the developer of the Magplane Maglev system, an innovative magnetic levitation (maglev) transportation system that offers significant advancements over other high-speed trains, light-rail transit systems, and existing maglev systems. MTI headquarters are now located in Hampton, New Hampshire. For more information on the Company, visit <http://www.magplane.com> or contact: Dr. D. Bruce Montgomery, Chair, Magplane Technology, Inc., dbmontgomery@magplane.com

Notice Regarding Forward-Looking Statements in this News Update

This news update may contain "forward-looking statements" as that term is defined in Section 27A of the United States Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Statements in this update that are not purely historical may be forward-looking statements and include any statements, direct or implied, regarding beliefs, plans, aspirations, expectations, or intentions regarding the future. Such forward-looking statements include, among other things, suggestions or projections of potential benefits to MTI that may result from the ZMM Demo Projects, from alliances among ZMM, third parties, MTI affiliates, and MTI, or from ZMM or third party investment in, or licensing, marketing, fabrication, construction, installation, and operation of Magtrans Systems. Actual results could differ from any projected, suggested, or implied in any such forward-looking statements, due to numerous risk factors, including, among others, the inherent uncertainties associated with new technology development companies such as MTI. Such uncertainties include, without limitation, uncertainties related to technology performance, scalability, and cost-effectiveness, and multiple uncertainties that may challenge transnational strategic alliances, including, without limitation, economic, monetary, political, and regulatory uncertainties. Any such forward-looking statements in this news update are made as of the date of this news update to MTI shareholders and others, and we assume no obligation subsequently to update the forward-looking statements, or to update the reasons as to why actual results could differ from those projected in the forward-looking statements.

Magpipe Project: Zhangjiakou China 2014



1-km Magpipe Demonstration Line: bridge during construction



1-km Demonstration Line: bridge after completion of second level



1-km Demonstration Line: view from the north end with two-level bridge in the background



Magpipe coal capsules on indoor demonstration line