

Investment by Shang Shan Investment, Beijing Ltd

Magplane Technology, Inc. announced on March 8, 2006 that Shang Shan Investment, Beijing Ltd. has signed an agreement to purchase 12 million dollars of Common Stock shares from the company at \$1.30 per share. The money will be used to establish a Joint Venture production base in Qingdao, Shandong Province, China and to begin engineering work on the demonstration projects.

Shang Shan Investment, Beijing Ltd related investments have been in high-tech, energy and infrastructure. Included in the investment package are an additional 20 M\$ in stock options exercisable over the next 12 months.

The Joint Venture will be established within the next 30 days under the name Magplane China Ltd. Permission by the State Administration For Industry & Commerce (SAIC) People's Republic of China to allow "China" to be incorporated in the company name is a major asset for the company, and a measure of the official support being given to Magplane in China.

Qingdao is an important coastal economic center and one of the top ten industrial bases in China. It is also the largest seaport and one of the key hubs for commodity transfer, financial services and information technologies along the Yellow River Valley in Eastern China. Qingdao has a population of 7 million, and Shandong Province, of 90 million.

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