

Statement from the President and Chairman of the Board

Magplane Technology, Inc. is pleased to announce that shares of its Common Stock are now available to qualified investors on the NASD Secondary Market. This represents a major milestone by allowing the company to more widely publicize the opportunities made possible by its technology and by its acceptance in the potentially very large Chinese transportation market. Most importantly, becoming a public company will greatly increase our leverage to market our business model to China regional industry, inviting them to become our investors as well as joint venture partners.

Our technology, which is a sophisticated form of 'Maglev technology' used for magnetic levitation transportation systems, was originally developed at the Massachusetts Institute of Technology (MIT). It has evolved over the past two decades into a commercially available form of train and industrial transport and Magplane Technology Inc. became a privately spun-off entity from MIT in 1995.

In April 2005, the Chinese Institute of Comprehensive Technology of the National Development and Reform Council declared Maglev technology the official 6th mode of transportation in China and revealed plans to develop Maglev technology for intra-city and inter-city systems with a potential demand of more than 10,000 km in 43 cities over the next few decades. Magplane Technology Inc. can compete very effectively in this market because of our cost efficient permanent magnet system which results in low construction and maintenance costs compared to the existing commercial Maglev technology line already operating in Shanghai.

Magplane Technology, Inc. received Letters of Commitment from Qingdao in June, 2005 for intra-city operating lines of 20 km and 30 km conditional on Magplane passing all necessary safety and environmental requirements. A similar Letter of Commitment was received from Kunshan for 37 km of intercity line in July, 2005. MTI will establish a Joint Venture Manufacturing Company in China to deliver on these lines and expand to supply future orders.

MTI's business model contains forward looking assumptions and information that is subject to important risks and uncertainties. For example: While extensive research and development has been undertaken on the Magplane system, MTI will now construct full-scale prototypes that will be used to prove the technology and gain required safety qualifications. MTI fully expects to be successful in these endeavours, but the outcome is uncertain. The competitiveness of MTI in the maglev market depends in part on the protection of valuable intellectual property. Several companies are marketing maglev solutions and are aggressively competing for capital investments as well as contracts in China. Magplane is well positioned to compete in the China maglev market but may be impacted by aggressive practices of competitors.

Magplane Technology, Inc. has posted its March, 2006 Business Plan on the company website (www.magplane.com) making it available for public access. Interested investors can download the plan after registering and entering the public access password (2439867). Further financial details are available by directly contacting the company (ir@magplane.com).

D. Bruce Montgomery, March 20, 2006

www.magplane.com

Trading Symbol MAGP