

# Alternative Fuel Technology

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## For Immediate Media Release

Alternative Fuel Technology, LLC, a wholly owned subsidiary of Alternative Fuel Technologies, Inc. (PinkSheets "AFTC") announced today that they have been selected by the U.S. Army for a Phase 2 SBIR project. The project is valued at \$730,000.

The Phase 2 project is an extension of a successful Phase 1 project where AFT identified a significant wear problem on a commercial diesel common rail fuel injection system running on JP-8 jet fuel. The Army uses JP-8 jet fuel in all of its diesel applications for logistics reasons.

In the Phase 2 project, AFT will redesign the commercial diesel common rail pump to lower wear to acceptable levels. To accomplish this goal, AFT will apply materials technology and other lessons learned during the development of their well known DME common rail fuel system.

## About SBIR's:

DoD's SBIR program funds early-stage R&D projects at small technology companies -- projects which serve a DoD need and have the potential for commercialization in private sector and/or military markets. The program, funded at approximately \$1.23 billion in FY 2009, is part of a larger (>\$2 billion) federal SBIR program administered by twelve federal agencies.

As part of its SBIR program, the DoD issues an SBIR solicitation three times a year, describing its R&D needs and inviting R&D proposals from small companies -- firms organized for profit with 500 or fewer employees, including all affiliated firms. Companies apply first for a six-month to nine-month phase I award of \$70,000 to \$100,000 to test the scientific, technical, and commercial merit and feasibility of a particular concept. ***If phase I proves successful, the company may be invited to apply for a two-year phase II award of \$500,000 to \$750,000 to further develop the concept, usually to the prototype stage. Proposals are judged competitively on the basis of scientific, technical, and commercial merit.*** Following completion of phase II, small companies are expected to obtain funding from the private sector and/or non-SBIR government sources (in "phase III") to develop the concept into a product for sale in private sector and/or military markets.