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**CONTOUR ENERGY SYSTEMS SIGNS STRATEGIC INVESTMENT AND TECHNOLOGY
DEVELOPMENT AGREEMENT WITH IQT**

Next-Generation Battery Company Collaborates with In-Q-Tel (IQT) to Deliver Innovative
Portable Power Solutions to U.S. Government Agencies

AZUSA, CA – January 17, 2012 – Contour Energy Systems, an innovative portable power company commercializing next-generation battery systems, today announced the signing of a strategic investment and technology development agreement with In-Q-Tel, the independent, strategic investment firm that identifies innovative technology solutions to support the missions of the U.S. Intelligence Community. This strategic partnership between Contour Energy Systems and IQT will advance portable power solutions for various terrestrial and emerging applications.

“Contour Energy Systems’ work in carbon-fluoride battery chemistry shows great promise in delivering significant improvements in energy density, power density and reliability across a wide range of operating environments,” said William Strecker, executive vice president and CTO at IQT. “These performance attributes are critically important to applications where weight reduction, longevity and durability matter.”

IQT’s strategic investment in Contour Energy Systems provides funding for new battery developments that are directly applicable to current application power requirements at many U.S. government agencies.

Contour’s advanced lithium/carbon fluoride battery technology has a gravimetric energy density twice that of either sulfur dioxide or manganese dioxide. This is significant for military applications because by doubling the energy density, the weight of a battery pack needed for a

mission of a given duration can be cut in half, or the same size and weight in battery packs could double the mission's duration.

Contour also delivers a higher volumetric energy density that allows for packing more power into a given space. And combined with its higher gravimetric energy density this extra power adds no additional weight.

Another advantage of Contour's advanced Carbon Fluoride battery is long shelf life and the ability to operate in a wide temperature range. It also employs a solid cathode that eliminates heavy metals or other toxic materials to afford safe operation and handling. In addition, it does not exhibit operational problems associated with Sulfur Dioxide and Manganese Dioxide batteries, such as passivation.

Contour's Carbon Fluoride battery also has the ability to customize or tune its cathode to meet an application's specific requirements. By altering how fluorine is introduced into the carbon structure at the atomic level during the manufacturing process, the battery's fundamental properties can be changed to achieve an optimal balance of energy and power densities, enabling new capabilities and/or better performance.

Available in a variety of standard and customized form factors makes the advanced carbon fluoride battery suitable for a wide range of military applications, including advanced soldier systems, radios, GPS receivers, night vision goggles, thermal imagers and cameras, monitoring and sensing systems and digital messaging devices.

"In-Q-Tel's strategic investment in Contour is significant on three fronts," said Joe Fisher, Chief Executive Officer with Contour Energy Systems. "First, they are a strategic investment firm with powerful ties and partnerships with U.S. government agencies that can take advantage of our advanced portable power technology. Second, they have a vested interest in the commercialization of our technology above and beyond military applications. And third, their investment follows closely on the heels of our recent Series C round of funding that provides us with tremendous market momentum heading into 2012."

About Contour Energy Systems

Contour Energy Systems is an innovative portable power company commercializing customizable battery technologies for a wide range of cross-industry applications. Contour's

next-generation battery systems are designed to deliver unprecedented improvements in energy and power density, and are capable of performing in extreme operating conditions at significantly improved costs. Founded through the collaboration of Caltech and CNRS, the French National Center for Scientific Research, the company combines expertise in nano-materials science, patented Fluorine-based battery chemistries and manufacturing processes to significantly advance the state of portable power. Headquartered in Azusa, CA, Contour Energy is managed by a world-class team of battery industry leaders from Caltech, Energizer, General Electric, Hewlett-Packard, Sanyo and Valence Technologies. The company is privately held.

About IQT

In-Q-Tel is the not-for-profit, strategic investment firm that works to identify, adapt, and deliver innovative technology solutions to support the missions of the U.S. Intelligence Community. Launched in 1999 as a private, independent organization, IQT's mission is to identify and partner with companies developing cutting-edge technologies that serve the national security interests of the United States. Working from an evolving strategic blueprint defining the Intelligence Community's critical technology needs, IQT engages with entrepreneurs, startups, researchers, and investors to deliver technologies that provide superior capabilities for the CIA and broader Intelligence Community. For more information, visit www.iqt.org.

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