



News for Immediate Release:

ELECTROFUEL INC.

Toronto, Ontario – March 26, 2001 – Electrofuel Inc. (TSE: EFL) announced today that it has reached an agreement with Mr. Upkar Arora, the former Chief Financial Officer of the Corporation, with respect to his compensation upon leaving Electrofuel. Mr. Arora resigned from Electrofuel on February 20, 2001 to pursue other opportunities. The agreement includes the surrender to the Corporation of Mr. Arora's 525,000 vested and unvested stock options.

Electrofuel is actively engaged in a search for a permanent Chief Financial Officer. The Corporation hopes to fill such position as soon as possible.

About Electrofuel

Electrofuel Inc. is engaged in the development, commercialization, manufacturing and sale of products using its proprietary lithium ion SuperPolymer rechargeable battery technology. Electrofuel's goal is to become the leading provider of portable power for the notebook computer and wireless sectors, and to apply its technology to a broad spectrum of alternative energy applications over the long term.

Electrofuel is a public company trading on the Toronto Stock Exchange under the symbol EFL.

For more information about Electrofuel and its products, please visit our website at www.electrofuel.com.

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