



NEW YORK STATE SENATOR

David J. Valesky

Electric Car Manufacturer Selects CNY: Senators Smith and Valesky Provide Critical Financing to Attract Jobs and Economic Growth

DAVID J. VALESKY October 23, 2009

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(SYRACUSE, NY) - Bannon Automotive, LLC, today announced that it has selected Central New York as a manufacturing site for its affordable plug-in electric vehicle which is based on technology developed in the U.S. by Reva Electric Car Company, LTD, headquartered in Bangalore, India.

The company has executed a memorandum of understanding with the State of New York finalizing the site selection process, marking an important step in Bannon's plans to produce an electric vehicle based on the technology used in the Reva NXR for the North American market in 2010. Onondaga County emerged as the top choice from an initial list of more than a dozen locations in the United States due to its prime location, workforce, and commitment to green and clean technology leadership.

In another important development, Reva has granted exclusive rights for U.S. development and production to Bannon Automotive, pending the finalization of its financing commitments. Bannon is working to complete its financing by the end of 2009.

Senate President Pro Tem Malcolm A. Smith said: "Considering the fiscal difficulties facing our state it is important that in today's global economy we seek new and innovative ways to attract businesses to New York. The Senate Majority has been working on a number of fronts, including with companies located in India and China, and this important announcement demonstrates how these efforts can create new jobs and help stabilize state revenues. I am very pleased the Senate was able to play such a significant role in bringing Bannon Automotive to Central New York and look forward to future endeavors and successes."

"This is a defining victory for Central New York and will help solidify our reputation as a hub of green technology and green jobs," said Senator David J. Valesky. "We began discussions with Bannon Automotive almost a year ago highlighting our workforce, our community, and our region's commitment to growing green industries and developing green-tech jobs. I am delighted to help announce today that our region has been selected as the home of this

exciting venture and that even more green sector jobs will be coming to Central New York.”

"New York's research infrastructure and manufacturing base will help to drive the automobile industry into a cleaner, more competitive future, as well as create much-needed jobs in the State. By locating in New York, Bannon Automotive is helping to establish our State as the global leader in the clean energy economy and building on my initiative to accelerate innovation in electric vehicle technology through the New York Battery and Energy Storage Technology Consortium," said Governor David A. Paterson. "Our longstanding reliance on oil must end, and as world leaders confront the challenge of climate change, it is clear that we must develop alternative transportation technologies that reduce greenhouse gas emissions. There is no question that both hybrid and all-electric vehicles will play a role in meeting this global challenge. The market for both will grow significantly in the coming years, which means jobs for New Yorkers. I want to thank the Senators Malcolm Smith and David Valesky for their leadership in helping to bring this valuable economic development to New York. "

"We are proud that we will produce these cars for the North American market in the United States. Syracuse's proximity to half the population of the U.S. allows us easily to reach key markets for new electric vehicles that extend well beyond the northeast," said Paul Wimer, CEO, Bannon Automotive, LLC. "Central New York's position as a national leader in green technology, and the support we received from elected officials and economic development agencies were major factors in our decision."

Bannon Automotive was first introduced to Central New York development officials by Senate President Malcolm A. Smith. Senator Smith encouraged the company to consider an upstate New York site after learning that the business was considering locations in Michigan

and Kentucky. Governor Paterson made several personal phone calls to company officials to emphasize the State's commitment to green jobs and advanced manufacturing.

"Bannon will tie Syracuse's manufacturing past to its high tech future and will jump start the region on its way to becoming America's hub for electric car manufacturing," said Senator Charles Schumer. "We have cleared some major hurdles, but have some more to go and I will actively and aggressively help this project in any way I can – particularly with securing the federal resources they need – to bring these hundreds of good-paying jobs to Syracuse."

"Bannon Automotive is the type of business that fits our vision for Central New York," said Assemblyman Al Stirpe. "It matches our manufacturing expertise with our growing focus on green industries. In addition, it is a wealth generator by selling electric vehicles outside of our region and state and bringing that revenue to Central New York."

"When I first met with representatives from Bannon several months ago, it was immediately clear that we had a terrific opportunity in Onondaga County. I appreciate the hard work and cooperation of all of our economic development partners in seeing this project through to completion. This announcement illustrates our region's potential when we all come together focused on a common goal," said County Executive Joanie Mahoney. "I am pleased to welcome Bannon to our community and am certain that they will be impressed with the workforce available to them here."

US Representative Dan Maffei said: "I am thrilled that this agreement with Bannon has been reached and that they have chosen Central New York. We have such a strong history of automotive manufacturing and a commitment to green energy technology here in Syracuse,

but what truly separates us from other regions is the talented and dedicated work force. I want to thank everyone who cooperated in the effort to bring Bannon to Syracuse.”

“Projects like the one announced today—those with an investment in knowledge-based industries, technology and innovation—will allow New York State to secure its economic stability and compete in the domestic and global markets for years to come,” said Empire State Development Chairman & CEO, designate, Dennis M. Mullen. “Governor Paterson has laid out a plan to make New York the global leader of the new clean energy economy and we are proud to be a part of the Governor's plan by targeting clean energy companies to locate to New York. Bannon Automotive will be a great addition to the State's growing portfolio of clean energy businesses.”

Jill Harvey, State Director of the US Department of Agriculture's Rural Development Agency, applauded the latest development. "This promising project supports several key goals of President Obama and Agriculture Secretary Tom Vilsack. It harnesses renewable energy for transportation purposes, reduces our dependence on foreign oil and contributes to the fight against climate change. We look forward to working with everyone involved in the project."

“Given the region’s history of automotive manufacturing and our unparalleled commitment to become a global leader in the clean technologies of the future, the expansion into the electric vehicle industry is a perfect fit for Central Upstate New York,” said Robert M. Simpson, President & CEO of the Metropolitan Development Association of Syracuse & CNY. “Today’s announcement is evidence that our regional economic development strategy is working - we are successfully competing internationally in our green and high-tech business attraction efforts.”

“This announcement would not be possible without the direct involvement from an array of public partners: State Senators Malcolm Smith and David Valesky; Governor David Paterson and Empire State Development Chairman Dennis Mullen; Assembly Speaker Sheldon Silver; Assemblyman Al Stirpe; Onondaga County Executive Joanie Mahoney; the Onondaga County Industrial Development Agency; Congressman Dan Maffei; U.S. Senators Charles Schumer and Kirsten Gillibrand; and the U.S. Department of Agriculture. All played an active role to ensure that a very competitive set of incentives are in place to bring this company to the region,” said Simpson.

Bannon’s decision could result in an initial investment of approximately \$40 million into the Central Upstate economy, with potential to reach \$50 to \$75 million over the next five years. Production at the Central New York facility would begin with approximately 100 employees, with employment increasing to several hundred as production levels reach full capacity.

About Bannon Automotive, LLC

Headquartered in New York, Bannon was founded to design, build and manufacture an affordable plug-in electric vehicle for the North American automotive market. With a fresh perspective on the industry, the company was created with a rich mix of both seasoned automotive and financial investment professionals. This unique mix supports the Company’s goal to create the first affordable, reliable and desirable electric vehicle in the U.S.

About the Reva NXR

The Reva NXR was recently introduced to the public at the Frankfurt Auto Show, in Germany. Depending on the model, the three-door hatchback has a top speed of up to 100 mph and can travel up to 120 miles on a single charge. With lithium-ion batteries, the car can

be fully charged in eight hours from a standard outlet or in 1.5 hours from a quick-charge station.

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