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## **HAMMOND POWER SOLUTIONS SIGNS CONTRACTS WORTH \$2 MILLION**

Guelph, September 20 -- Hammond Power Solutions (HPS) today announced the signing of two contracts totaling C\$2.0 million with Tippins Incorporated, of Pittsburgh, Pennsylvania. Tippins Incorporated is a world leader for the engineering and installation of rolling equipment for steel mills.

The contracts are for the design and build of reactors, drive isolation and custom distribution transformers to be shipped by the end of November. These products are to be incorporated into four mills located in the People's Republic of China. The mills will be operated by Kunming Iron, of China, and operation is expected by the end of summer 2002.

William G. Hammond, Chairman and CEO, said the selection of HPS for these custom designed units is particularly gratifying because steel rolling mill environments require transformers having exceptional quality. He added that Hammond would continue to focus on prestigious customers, such as Tippins, as these types of companies are leaders in their particular industries and provide access to diverse markets for Hammond Power Solutions.

Hammond Power Solutions designs and produces standard and special dry type transformers and is one of North America's leading manufacturers of engineered magnetics. The Company has two manufacturing plants in Canada, two in the United States and one in Mexico.

The Company's shares trade on the Toronto Stock Exchange under the symbol HPS.A.

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FOR FURTHER INFORMATION PLEASE CONTACT:

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