



595 Southgate Drive
Guelph, Ontario N1G 3W6
Phone: (519) 822-2441
Fax: (519) 822-4366

For Immediate Release: April 5, 2001

HAMMOND POWER SOLUTIONS SIGNS SUPPLY CONTRACT WORTH \$3 MILLION

Guelph, April 5 -- Hammond Power Solutions Inc. today announced it has reached an agreement with Siemens/Westinghouse, of Orlando, Florida, to provide the Company with 74 power transformers, to be shipped prior to the end of 2001. The contract is worth an estimated Cdn\$3 million. Siemens/Westinghouse is a North American leader in power equipment maintenance and repair.

The transformers are to be used in the assembly of turbine generators destined to serve in large power generation systems. These systems will provide electrical utilities in the United States with additional generation capacity to be brought online as needed.

W.G. Hammond, Chairman and CEO, of Hammond Power Solutions stated that winning the contract with Siemens/Westinghouse is particularly gratifying because it strengthens the Company's position as the leading North American manufacturer of electrical engineered custom magnetics. He noted that recent energy disruptions in some parts of North America indicate potential for a major increase in utility spending to install specialized peak load generating capacity that can be brought on line quickly. Each of these will require specialized transformers. This represents an excellent opportunity for Hammond Power Solutions, he said, because the Company can design and build high quality custom transformers for this type of equipment on very short notice.

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 manufacturing plants in Canada, and the United States. A manufacturing facility in Mexico is scheduled for operation in the second quarter of 2001.

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

-30-

FOR FURTHER INFORMATION PLEASE CONTACT:

W.G. (Bill) Hammond (519) 822 - 2441
Chairman and CEO
Hammond Power Solutions Inc.

Jon W. Kieran, or Ellen Leesti, Investor Relations (416) 868 - 1079
Hume, Kieran Inc.

If you would prefer to receive press releases via email contact Zuzana Pravda
(zuzana@humekieran.on.ca)