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## **VSE Unit Wins FT Fuels Research & Testing Contract with USAF**

**ICRC Will Research, Demonstrate and Sustain the Incorporation of FT fuels into Air Force Ground Support Equipment and Vehicles - The 2-Year Contract Represents Potential ICRC Revenues of \$1.38 million**

ALEXANDRIA, Va.--

Integrated Concepts and Research Corporation (ICRC), a wholly owned subsidiary of VSE Corporation (Nasdaq:VSEC), announced today the recent award of a U.S. Air Force subcontract supporting the Advanced Power Technology Office (APTO) to research, demonstrate and sustain the incorporation of Fischer-Tropsch (F-T) fuel in diesel engines. Under a two-year subcontract agreement with Concurrent Technologies Corporation (CTC), ICRC will provide technical support to facilitate the testing of ultra-clean F-T fuel blended with conventional petroleum-derived JP-8. This 50:50 blend will be evaluated in base storage facilities, Air Force ground support equipment, and Air Force ground vehicles. Potential ICRC revenues under the subcontract are estimated to be \$1.38 million over a two year period.

The longer-term goal of the broader Defense Assured Fuels Initiative, which this project supports, is to ultimately use unblended F-T fuel in virtually all military equipment in future decades. One of the main advantages of F-T fuel is that it can be produced using US domestic resources like natural gas, coal, and biomass. The use of F-T fuels can potentially reduce our dependency on foreign sources of energy. Starting now with an F-T/JP-8 fuel-blend minimizes risks, while making it possible for the U.S. military to utilize whatever quantities of F-T fuel are likely to become available within the next several years, thus improving the Department of Defense's knowledge base of synthetic fuels as early as possible.

ICRC has established a successful record in alternative fuels research and testing, including several contract agreements with the Department of Energy and the Federal Transit Administration, some of which involved the production, testing and demonstration of F-T diesel fuel. ICRC has previously evaluated the usage of the ultra-clean fuel in transit buses and other diesel vehicles in Fairbanks, Alaska, Washington, DC and Tulsa, Oklahoma.

"ICRC is committed to finding alternative fuel, and we are excited to be a part of this research and demonstration project," said ICRC President Carl Williams. "We have assembled a project management team that possesses technical and managerial

experience in military operations to facilitate alternative fuels research."

Research, demonstration and testing will take place at Selfridge Air National Guard Base in Michigan. ICRC will install its on-board data acquisition system to accumulate engine operational data from the engines' electronic control systems over the duration of the evaluation period.

ICRC is a diversified technical and management services company that serves the government market. The company's core expertise lies in information technology, advanced vehicle technology, aerospace, engineering and transportation infrastructure. ICRC combines this industry expertise with a strong track record in project management, research, testing, analysis, purchasing and implementation. The company's corporate office is located in Alexandria, VA, and it also maintains offices in Chantilly, VA, Sterling Heights, MI, Huntsville, AL, Vicksburg, MS, and Anchorage, AK. For more information about ICRC's services and products, please see ICRC's web site at [www.ICRCsolutions.com](http://www.ICRCsolutions.com) or contact Corporate Vice President Kevin Mulrenin at (586) 799-1795.

VSE provides diversified services to the engineering, energy and environment, defense, and homeland security markets from locations across the United States and around the world. For more information on VSE business units, services and products, please see the Company's web site at [www.vsecorp.com](http://www.vsecorp.com) or contact Len Goldstein, Director of Business and New Product Development, at (703) 317-5202.

#### Safe Harbor

This news release contains statements which, to the extent they are not recitations of historical fact, constitute "forward looking statements" under federal securities laws. All such statements are intended to be subject to the safe harbor protection provided by applicable securities laws. For discussions identifying some important factors that could cause actual VSE results to differ materially from those anticipated in the forward looking statements in this news release, see VSE's public filings with the Securities and Exchange Commission.

Source: VSE Corporation