



MPAC INDUSTRIES CORPORATION

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NEWS RELEASE

January 14, 2009

SYMBOL: "MPN"

January 14, 2009, Vancouver, British Columbia - MPAC Industries Corporation ("MPAC" or the "Company") is pleased to provide its shareholders and the investment community with a corporate update concerning the coal refining pilot plant (the "Pilot Plant") located in the City of Soma in Turkey.

REPLACEMENT CRUSHING CIRCUIT

The Company is pleased to advise that, in concert with the December 3, 2008 News Release, it has agreed in principle with E.E. Madencilik Dagitim Sanay Ticareti ve Pazarlama Ltd. Sti ("E&E") to acquire, on a lease-to-purchase basis, a rod mill capable of processing up to forty (40) tonnes per hour of coal, a crusher, a coal washer, a bucket loader, slurry pumps, a kiln and additional screens (collectively, the "Equipment") for approximately US\$625,000 FOB the Company's Pilot Plant in Soma, Turkey. In addition, the supplier of the equipment will also finance the transportation, insurance and assist in the installation of the Equipment at the Pilot Plant. A binding agreement setting out the lease-to-purchase terms will be signed shortly.

All of the crushing and ancillary equipment is to be delivered to the Pilot Plant on a lease-to-purchase basis. Key aspects of this arrangement are:

1. For the first three months after refined coal production has commenced, there will be no payments due or payable;
2. MPAC, at its sole discretion, can reject any equipment not deemed suitable for the Pilot Plant and the lease-to-purchase price will be adjusted accordingly. In addition, the rejected equipment shall be removed or caused to be removed from the Pilot Plant on a timely basis and at no cost to MPAC;
3. The lease to purchase payments will be made by way of installment payments based on US\$15 per tonne of clean coal delivered until the initial US\$625,000 has been paid;
4. Once the total purchase price has been paid, E&E will be paid a bonus (the "Bonus") of US\$10 per tonne of clean coal delivered, until E&E has received an additional US\$625,000; and

5. After the FOB Purchase price and the Bonus has been paid in full, the Equipment will be transferred to MPAC or its subsidiary, as directed by MPAC, as a fully paid asset of the Company, free and clear of any and all financial encumbrances.

Both MPAC and E & E in concert with the supplier will work together to coordinate the delivery and installation of the Equipment and the infrastructure, so as to ensure a timely and expedient completion of the re-configured Pilot Plant.

Representatives of the lease-to-purchase crushing equipment in Turkey have advised that, barring any unforeseen events and subject to the Company raising the necessary funds, the replacement crushing circuit can be transported to the Soma Pilot Plant, assembled and be ready to process coal during the latter part of the first quarter of this year. To that end, MPAC has already authorized the commencement of the Pilot Plant site preparation to accommodate the new crushing circuit. This work is scheduled to begin in the week of January 19, 2009.

AMENDED FINANCIAL PROJECTIONS BASED ON LEASE-TO-PURCHASE AGREEMENT

The Company had disclosed certain expected financial information in its News Release of September 11, 2008. Those projections were calculated in anticipation of the production tonnage suggested by the consultants based on the Gayret Makina crushing circuit throughput. Those financial projections (the "Financial Projections") were based on what the initial production run would have meant in terms of gross revenue and EBITDA.

The Company has revised those Financial Projections, based on the capacities of the lease-to-purchase equipment. Again in this case, the Company is assuming that there will be a very gradual ramp up in production. For the first quarter, MPAC is factoring in some twenty (20) tonnes of head coal being processed per hour (instead of the rated circuit capacity of forty (40) tonnes per hour). During this first quarter, the Financial Projections assume that the Pilot Plant will operate only ten (10) hours a day instead of twenty-four (24) hours per day. The efficiency factor is set at 75% in the model, conservatively based on the past performance of the coal refining technology.

For the second quarter, thirty (30) tonnes of coal are assumed to be processed, with the Pilot Plant running fifteen (15) hours a day; and for the balance of the year, that is, the last two quarters of the year, the operation is deemed to process forty (40) tonnes per hour, running twenty (20) hours per day.

The parameters for the Financial Projections will, other things being equal, allow for any time loss due to additional fine-tuning that may be required in the initial stages.

The projected cash flow is shown below.

US\$ '000	Q1	Q2	Q3	Q4
Gross Inflows	641	1,461	2,566	2,566
Gross Outflows	418	758	1,255	1,366
Lease Payments	-	457	793	-
Cash Flow	223	246	518	1,200

It should be noted that as production increases, the operating costs per tonne would decrease and favorably enhance the bottom line accordingly.

CANADIAN CONTRACTOR

The Company's Canadian contractor (the "Contractor") inspected the main components of the proposed replacement lease-to-purchase crushing circuit equipment prior to returning to Canada for the Christmas break (see MPAC Corporate News Release dated December 3, 2008).

The Company plans to have the Contractor return to Turkey in time for the testing of the replacement crushing circuit for the Pilot Plant.

EXISTING CRUSHING CIRCUIT

As identified in previous News Releases, the current turnkey crushing circuit has been unable to perform at even minimal levels of warranted tonnage which has left the Company with no other option other than to obtain a replacement crushing circuit and initiate legal proceedings against the manufacturer of the turnkey crushing circuit – Gayret Makina. MPAC has gone to extraordinary lengths to get the turnkey crushing circuit operational and has suffered significant revenue loss, which forms part of the damages claimed against Gayret Makina.

With the pending arrival of the lease-to-purchase equipment, the Company will be dismantling and storing all of the equipment provided by the Turkish manufacturer Gayret Makina in a secure location while the litigation initiated by the Company against Gayret Makina continues on course.

CURRENT PRIVATE PLACEMENT

The Company continues its efforts to raise the \$75,000 required. To date, \$34,500 has been confirmed and or received with an additional \$20,000 committed. As in the past, certain Directors have committed funds to the private placement in order to support MPAC financially. Despite the world wide economic crisis, the Company is very optimistic that the minimum target threshold of the current private placement will be met or exceeded.

GRANT OF INCENTIVE STOCK OPTIONS

The Company also announces the granting of an aggregate of 50,000 incentive stock options to a consultant of the Company in accordance with the Company's incentive stock option plan and policies established by the board of directors designed to attract, retain and motivate industry,

business and finance professionals. The options are exercisable at a price of \$0.05 until January 14, 2011.

CONCLUDING REMARKS

With continued fortitude, persistence and good fortune, the Company looks forward to meeting and exceeding the challenges of 2009.

As always, the Company very much appreciates the ongoing support of its existing shareholders and the continued interest of the investment community in the business affairs of MPAC.

BY ORDER OF THE BOARD

J. RICHARD W. HALL
President & CEO

This News Release contains forward-looking statements, which are based on MPAC Industries Corporation current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. The forward-looking statements are not guarantees of future performance and undue reliance should not be placed on them. Actual results may differ materially as a result of any number of factors and uncertainties, many of which factors are beyond the Company's control. MPAC Industries Corporation undertakes no obligation to revise any forward-looking statements except as required by applicable securities laws.

The TSX Venture Exchange neither approved nor disapproved the contents of this News Release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this News Release.

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