



General Automotive Announces Joint Venture Operating Terms

Acquisition Focused Automotive Company and Notable Ceramics Research Firm Join Forces in Automotive Fuel Cell and Sensor Technology Venture

ORLANDO, Fla., Sep 02, 2008 (BUSINESS WIRE) -- General Automotive Company (OTCBB: GNAU), a North American provider of parts, accessories and advanced technology for the automotive industry, announces the operating agreement terms for their newly created joint venture named Advanced Composite Technology, LLC (ACT), per the Company's recent 8-K filing denoting such in regard to its definitive agreement with SenCer, Inc.

General Automotive and SenCer recently formed the ACT joint venture to develop, commercialize and market SenCer's groundbreaking UltraTemp(TM) ceramic composite materials for accelerating the development of energy-efficient, environmentally friendly fuel cell technologies.

The joint venture also intends to advance the development and commercialization of next-generation oxygen sensors, which represent a significant part of the Company's current business, which generated total annual revenues of \$15.3 million in 2007.

ACT's groundbreaking technology solves the two most persistent problems in fuel cell design; cost and durability, by replacing expensive platinum conductors with co-fired proprietary ceramic conductive layers. The technology will also enable the design of more sophisticated oxygen sensors to help maximize fuel economy and minimize exhaust emissions for motor vehicles worldwide.

General Automotive President and CEO Joseph DeFrancisci commented, "Backed by extensive field test data supporting remarkable thermal properties and the bonding relationship with engineered oxide, conductive metals and ceramics coatings from SenCer's breakthrough technology UltraTemp(TM); we believe this new joint venture will accelerate commercial development of potential industry-changing devices in the automotive sensor and fuel cell technology markets globally."

Joint Venture Operating Terms with Commercial Viability Timeline

On July 22, 2008, General Automotive Company (GAC) and SenCer, Inc. entered into an Operating Agreement which sets forth the regulations, terms and conditions under which Advanced Composite Technology, LLC (ACT), the Joint Venture will be operated.

The Operating Agreement provides that GAC and SenCer shall each hold 50% membership interests in the Joint Venture. Initially, GAC shall contribute services and incur such costs and expenses as it shall deem necessary to determine the commercial viability of the Joint Venture's business, of which services have an agreed-upon value of \$200,000.

In the event GAC becomes satisfied that the business is commercially viable, GAC shall make additional capital contributions of up to \$750,000 to fund the operations of the Joint Venture and SenCer shall contribute to the Joint Venture a license to use SenCer's ceramic composite technology for any and all transportation applications, all pursuant to an exclusive license agreement by and between the Joint Venture and SenCer.

If commercial viability has not been achieved by January 15, 2009, the Joint Venture will be dissolved unless GAC elects to continue its existence. This early exit clause under General Automotive's control, not only positions the Company for significantly greater shareholder value with very little risk, but also the short term time horizon that both joint venture partners expect to establish commercial viability by.

GAC shall be the sole managing member of the Joint Venture, responsible for the day-to-day operations as well as certain marketing activities for Advanced Composite Technology.

SenCer shall design and develop applications and prototype products for clients of the Joint Venture. The description of the Operating Agreement above is a summary and is qualified in its entirety by reference to the Operating Agreement as filed with the S.E.C.

About SenCer Inc.

Established in 1996, SenCer Inc. is a technology research firm that has developed a ceramic composite material, UltraTemp (TM), with remarkable thermal properties and bonding capabilities. The new technology has applications in oxygen sensing (automotive and medical markets); oxygen generation (aluminum -- inert anodes, gas generation, medical); and power generation (fuel cell technology). SenCer maintains a 20,000 square foot manufacturing facility in Penn Yan, NY.

About General Automotive

General Automotive Company ("GA") is a North American provider of parts, accessories and advanced technology for the automotive industry. GA, which is focused on expanding its growth platform through the acquisition of successful niche manufacturing companies in the automotive industry, currently has two wholly owned subsidiaries, OE Source and Global Parts Direct. GA uses its relationships with manufacturers in China, Korea and Japan to bring state-of-the-art parts and accessories to automobile manufacturers and major parts distributors in the U.S. For more information on GA and its products, visit www.generalautomotive.com.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are based on the current plans and expectations of management and are subject to a number of uncertainties and risks that could significantly affect the company's current plans and expectations, as well as future results of operations and financial condition. A more extensive listing of risks and factors that may affect the company's business prospects and cause actual results to differ materially from those described in the forward-looking statements can be found in the reports and other documents filed by the company with the Securities and Exchange Commission. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE: General Automotive Company

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