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**U.S. AIR FORCE PURCHASES ADDITIONAL STATE-OF-THE-ART
BALANCING EQUIPMENT FROM MTI INSTRUMENTS**

Albany, N.Y., October 31, 2007 – MTI Instruments, Inc. (“MTII”), a worldwide leader in precision measurement solutions and a subsidiary of Mechanical Technology Incorporated (MTI) (NASDAQ: MKTY), announced that the U.S. Air Force (USAF) exercised an option to purchase eight additional PBS-4100Plus portable aircraft engine balancing systems under its current requisition. This new \$.456 million order follows a \$1.140 million order that the USAF placed in August for the purchase of same kind of PBS units.

PBS-4100Plus units are used to automatically collect and record aircraft engine vibration data, identify vibration or balance trouble and calculate a solution to the problem, resulting in reduced engine vibration, longer engine life and lower fuel costs. Customers for these units include military forces, major airlines, and aircraft engine manufacturers in over fifty countries.

With the additional order, MTII has received \$1.596 million in orders from the USAF this year, and under the requisition, the USAF continues to have the option to purchase up to an additional \$0.684 million in PBS-4100Plus portable aircraft engine balancing systems over the following three years. If all options are exercised, this contract will total \$2.280 million in PBS-4100Plus sales.

“This second purchase by the U.S. Air Force within two months suggests the need for our equipment within the military,” said Robert Kot, Vice President and General Manager of MTII. “We are very pleased that the U.S. Air Force has chosen us as its sole supplier of these PBS units.”

The PBS-4100Plus system is currently being used by ten major USAF aircraft platforms including surveillance, stealth, and transport aircraft, attack fighters, and strategic bombers.

About MTI Instruments, Inc.

MTI Instruments, Inc. (MTII), a subsidiary of Mechanical Technology Incorporated (NASDAQ: MKTY) headquartered in Albany, NY, is a worldwide supplier of precision non-contact physical measurement solutions, precision balancing equipment and semiconductor wafer inspection tools. MTII products use a comprehensive array of

technologies to address complex real-world applications in numerous industries including manufacturing, semiconductor, commercial/military aviation, automotive and data storage. Mechanical Technology Incorporated is also engaged in the development and commercialization of award winning Mobion[®] cord-free advanced portable power systems, through its subsidiary MTI MicroFuel Cells Inc.

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Statements in this press release which are not historical fact including statements regarding management's intentions, hopes, beliefs, expectations, representations, projections, plans or predictions of the future are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, among others, MTII's ability to deliver PBS4100 Plus units on time, if at all; and the importance of any relationship with the USAF. All forward-looking statements are made as of today, and MTI and MTII disclaim any duty to update such statements. It is important to note that MTII's and MTI's actual results could differ materially from those projected in forward-looking statements. Factors that could cause the anticipated results not to occur include, among others, the risk factors listed from time to time in MTI's SEC reports including but not limited to, the annual report on Form 10-K and Quarterly Reports on Form 10-Q.