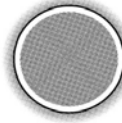




**CERAMIC FUEL CELLS LIMITED**  
Creating the energy to succeed™



**POWERCO**

10 December 2004

## **Options canvassed on fuel cell field trial sites**

Powerco and Ceramic Fuel Cells Limited (CFCL) have announced that they will confirm the sites for the first fuel cell field trials for New Zealand early in 2005.

Executives from New Zealand's Powerco and Australia's CFCL met last week to discuss details of the project and site options for the fuel cell trials.

Both Powerco and CFCL are pleased at the progress, support and positive media attention being given to this ground breaking project.

Steven Boulton, Chief Executive of Powerco, said it was clear from the interest in where the trials would be sited that there was strong interest in the new technology.

"A number of suggestions for the sites have been floated, but we have not yet decided where these first trials will be conducted.

"We intend to make that announcement early in 2005."

Mr Boulton said it was clear that CFCL's particular design of fuel cell was appealing.

"Part of the appeal is its flexibility in using a range of readily available gasses – not only natural gas but also bio-methane and ethanol, and that it is not constrained by complicated and expensive hydrogen as are many fuel cells.

"At this stage, however, we anticipate the initial field trials will utilise natural gas."

CFCL's product for these trials is a fuel cell unit which converts natural gas to electricity delivering both 1kW of electricity and hot water sufficient for the average home. CFCL has invested 12 years and A\$130M into research and development to develop its fuel cell units for field trials and commercialisation.

"Our micro-CHP units are expected to be highly efficient" stated David Peck, CFCL Business Development Manager. "Unlike combustion engines they convert gas to electricity in a silent process, and have the potential to reduce greenhouse gas emissions by 60 per cent over a conventional coal fired power station. When not using the full electrical output from the unit, power can be sold back into the electricity grid."

***For information and interviews contact:***

*Steven Boulton, Powerco Chief Executive*

0064 294 419 393

*Helen Millicer, Investor and Public Relations Manager, CFCL*

0061 4 413 875 872

Powerco is one of New Zealand's largest gas and electricity distributors, with approximately 295,000 electricity consumer connections and 106,000 gas consumer connections in the North Island, and a growing investment presence in Australia. Powerco is majority owned by Prime Infrastructure

[www.powerco.co.nz](http://www.powerco.co.nz)

Ceramic Fuel Cells Ltd recently listed on the ASX (code CFU) and is Australia's only commercial developer of fuel cell energy generators. CFCL is currently applying for admission to the Alternative Investment Market (AIM) of the London Stock Exchange and investigating mass fuel cell manufacturing options around the world.

[www.cfcl.com.au](http://www.cfcl.com.au)