



Announcement

22 June 2005

Launch of Australia's first fuel cell generator

Ceramic Fuel Cells Limited today celebrated the launch of its fuel cell generator unit officiated by the Hon John Thwaites, Acting Premier of Victoria and Minister for the Environment.

Speaking at the launch, CFCL Executive Chairman Julian Dinsdale stated "Australia can be proud today of this significant technical and scientific achievement. Ceramic Fuel Cells Limited has designed and built first Australia's fuel cell electricity generator, inside a micro-CHP, an appliance of the future.'

(A micro-CHP is a small combined heat and power generator, which can be installed in the home. Initial markets for CHP units are Europe, Japan and North America.)

"At a time when the world is searching for clean, efficient and safe energy generation, fuel cells in micro-CHP can offer a compelling solution."

"We have designed our micro-CHP unit for maximum efficiency; we are looking for 80% system efficiency when current systems are around 10 – 30%. We are looking to cut greenhouse gas emissions by 60% over current carbon generation systems, and to produce constant power – ideally stable for the grid and for residential users" said Mr Dinsdale.

"We believe that fuel cell powered micro-CHPs have the potential to produce a significant percentage of base-load electricity required for the home, office and factory. We know some experts predict that micro-CHP may replace some centralised and nuclear power stations in Europe in the future."¹

'This is a significant week for CFCL as we ship our first fuel cell powered micro-CHP demonstrator unit to Powerco in New Zealand. Powerco is our first customer and we thank them for their vision and support. Powerco is an excellent partner and champion for new energy systems in Australasia. We look forward to further field trials in Australia and overseas'.

Mr Dinsdale concluded by encouraging more Australian energy utilities and Governments to embrace emerging energy technologies. "We have to target the European market, particularly Germany and the UK, because utilities and governments there understand and actively support efficient distributed generation systems such as fuel cells and micro CHP, and emissions trading systems. We would urge the Australian governments to take similar steps."

In launching the CHP unit, Acting Premier and Minister for the Environment, John Thwaites, said 'It is clear that our current patterns of energy usage and production worldwide are unsustainable.'

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¹ EA Technologies, UK, 2003, www.eatechnology.com

'The Victorian Government is committed to playing its part in national and international efforts to address the threat of climate change and transition to a low carbon economy. Economic growth can be tied to more sustainable forms of energy generation through innovations – for example: fuel cells and micro-CHP.'

He concluded by restating the Victorian Government's support for establishment of a national emissions trading scheme through the leadership of the Australian Commonwealth Government.

Speaking at the launch, Jeff Kendrew, General Manager Corporate Development, Powerco stated "A major driver for Powerco is the fact that New Zealand is a signatory to the Kyoto Protocol and constrained with electricity options.

'As an energy distributor with operations in New Zealand and Australia in gas, hydro and wind, we are keen to invest and expand in clean, efficient and non-toxic energy generation systems. We are therefore pleased to host these fuel cell field trials. We encourage other energy utilities and investors to likewise anticipate and plan for a clean energy future.'

ENDS

Ceramic Fuel Cells Ltd (CFCL) is a publicly listed company (ASX code CFU) and world leader in development of energy fuel cells using natural gas. CFCL's fuel cells have potential to meet significant market demand in Europe, UK and Asia for clean, efficient, green and reliable electricity for use on site and sale back into the power grid.

With 100 skilled staff and extensive patented technology, CFCL is pursuing partnerships for manufacture, production and use of its fuel cells in delivering electricity in homes, offices and industry around the world.

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