



Announcement

6 September 2005

Fuel Cell Trial for Tasmania

Powerco Limited and Ceramic Fuel Cells Ltd (CFCL) will conduct a field trial of CFCL's fuel cell powered domestic generator in Tasmania.

This will be the second field trial in the deal between energy developer CFCL and Powerco in the field trials of CFCL's world-leading fuel cell technology. The first trial is to be conducted in Wellington, New Zealand.

Powerco Chief Operating Officer Richard Krogh said the Company had chosen Tasmania for the fuel cell trial due to the high level of support for natural gas that existed within the State.

"In Tasmania we have a State Government committed to growing its energy infrastructure and more specifically partnering with Powerco in the roll-out of the new gas distribution network. This creates the type of environment which encourages development of cutting edge technology like CFCL's combined heat and power unit."

Mr Krogh said Powerco had already completed construction of the backbone of Tasmania's new gas distribution network (known as Stage One) and was making good progress on the first phase of the Stage Two network build. Stage Two would make natural gas available to 38,500 residential and small commercial properties in the State.

"For Powerco the Tasmania Gas Project has been a success story demonstrating the positive outcomes which can occur when the Government partners with business for the good of the people. By investing in this state of the art technology, Powerco is again demonstrating its commitment to infrastructure investment and to the State of Tasmania."

"We're excited about conducting a trial in Tasmania", said CFCL CEO Brendan Dow. "With our other field trial partners and sites, we now have a broad range of field trial sites, in Australia, New Zealand and Germany. We expect, over the next few months, to start generating some useful data – and learning a lot – from these trials. We know the trials won't be perfect and we're realistic enough to expect some challenges. That's what the trials are all about; an opportunity to work with committed partners to test our technology in 'real world' conditions, and feed back our findings into our ongoing development work, ultimately leading to more reliable fuel cells."

Powerco and CFCL currently plan to deliver the fuel cell unit to Tasmania in December this year. In the meantime, the first unit has been installed at IRL's premises in Wellington and is undergoing commissioning.

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Ceramic Fuel Cells Limited

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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Powerco Limited

Powerco is New Zealand's second largest electricity and gas distribution utility with over 400,000 consumers connected to its networks. Powerco is owned by Babcock and Brown Infrastructure. Powerco's electricity networks are in Tauranga, Thames, Coromandel, Eastern and Southern Waikato, Taranaki, Wanganui, Rangitikei, Manawatu and the Wairarapa. Its gas pipeline networks are in Taranaki, the Hutt Valley, Porirua, Wellington, Horowhenua, Manawatu and the Hawke's Bay.

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