



Announcement

9 November 2005

Fuel Cell Unit gets European safety tick

Ceramic Fuel Cells Limited (ASX code CFU) has received prototype European safety approval for its fuel cell-powered combined heat and power (CHP) demonstration unit.

CFCL's demonstration CHP unit has been cleared for prototype field trial use in Europe, CFCL's initial target market.

"This is another milestone in our progress towards commercialising fuel cell-powered appliances. It's important because Europe is our target market, and we need to meet the tough European safety standards in order to penetrate that market. This certification allows our demonstration units to be deployed in prototype field trials in Europe. The tests were done by an independent and well-respected firm, which also gives our customers comfort that CFCL is designing and building our units to a high standard" said Brendan Dow, CEO.

CFCL has a contract in place with EWE AG, one of Germany's largest energy companies, for EWE to conduct field trials of two CFCL demonstration units, to be delivered to EWE in December 2005. CFCL is also actively pursuing field trials with other partners in Europe.

The CFCL demonstration unit has been inspected and tested by independent experts from The Netherlands-based Kiwa Gastec Certification, Europe's market leader for testing and certification of gas related products.

After thoroughly examining how CFCL's demonstration units are designed, built and operated, including a visit by Kiwa Gastec engineers to CFCL's Melbourne facilities, Kiwa Gastec has tested and assessed the prototype unit in regard to European Safety Requirements. The prototype units will be operated by personnel trained by CFCL and customers, in CFCL's customers' semi-controlled environments.

The CFCL demonstration unit is a micro CHP system based on CFCL's solid oxide fuel cell technology, which uses natural gas to produce heat and electricity for domestic and commercial use. CHP units can generate electricity and heat much more efficiently, and with much lower emissions, than current generating technologies.

Kiwa Gastec also notes that an industry and government working group is in the final stages of preparing a draft standard setting out basic requirements and testing methods for domestic fuel cell heating appliances, such as CHP units.

"The fact that industry and government are close to releasing standards shows the European market is well prepared for fuel cell powered appliances. It's not a question of "if" but "when" fuel cells will become a lot more widespread in Europe", commented Brendan Dow.

"CFCL is eagerly awaiting the release of this standard, and we're designing and building our pre-commercial units to meet these emerging European requirements."

ENDS

Ceramic Fuel Cells Ltd (CFCL) is a publicly listed company (ASX code CFU) and world leader in developing solid oxide fuel cells. CFCL's fuel cells have the potential to meet significant market demand in Europe, UK and Asia for clean, efficient 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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