



CERAMIC FUEL CELLS LIMITED

Clean power for your home

5 May 2008

Ceramic Fuel Cells Limited to Raise £7.0 Million (A\$14.7 Million)

Ceramic Fuel Cells Limited (AIM / ASX: CFU) (the "Company"), a leading global fuel cell developer, today announces that it proposes to raise gross proceeds of approximately £7.0 million (A\$14.7 million) by way of a placing of new ordinary shares to institutional investors in the UK and Europe.

Placing Highlights

- 35 million new ordinary shares are proposed to be issued in connection with the placing, representing 10% of the enlarged issued share capital.
- The new ordinary shares will be issued at a price of 20 pence per share (approximately A\$0.42), representing a discount of 14% to the closing price on AIM on 30 April, the last business day prior to the Company's announcement responding to press comments on 1 May 2008.
- The proceeds from the placing will provide CFCL with further working capital to facilitate the Company's continued commercialisation activities including the integration of its fuel cell products with conventional condensing boilers.
- Application will be made to the London Stock Exchange for the new shares to be admitted to trading on AIM. It is expected that admission will become effective and that dealing will commence on 9 May 2008. At that time the Company will also apply for the new shares to be quoted on the ASX.
- When issued, the new fully paid ordinary shares will have the rights specified in the Company's constitution and will rank equally with the Company's existing ordinary shares.
- The Company proposes to issue the new shares without prior shareholder approval, as permitted under ASX Listing Rule 7.1.

Brendan Dow, Managing Director of Ceramic Fuel Cells, said:

"CFCL has made significant progress with the business to date and we remain on track to achieve commercialisation of our fuel cell products from 2009. We are building our volume plant in Germany to supply our first volume order, announced in February this year. The successful fundraising announced today demonstrates the continued support for our strategy by existing investors and we are also delighted to welcome a number of new institutions. The funds raised will provide additional working capital as we move towards market introduction of our products in Europe."

Ends

Managing Director Brendan Dow discusses the fundraising in a webcast interview on [Boardroomradio](#).

The interview will be available from 10am Monday 5 May (Melbourne time) at www.brr.com.au/cfu

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About CFCL

Ceramic Fuel Cells Limited is a world leader in developing solid oxide fuel cell (SOFC) technology to provide reliable, highly efficient and low-emission electricity from widely available natural gas and renewable fuels. CFCL is developing SOFC products for micro combined heat and power (m-CHP) and distributed generation units that generate electricity and heat for homes.

CFCL is developing m-CHP products with leading appliance partners and utility customers in Germany, France, the United Kingdom, Holland, and Japan. CFCL is listed on the London Stock Exchange AIM market and the Australian Securities Exchange (code CFU). www.cfcl.com.au
