



# CERAMIC FUEL CELLS LIMITED

*Clean power for your home*

22 December 2008

## **CERAMIC FUEL CELLS LIMITED ("CFCL" or "the Company")**

### **COMPANY UPDATE**

Ceramic Fuel Cells Limited (ASX / AIM: CFU), a global leader in fuel cell development, lifted its trading halt today.

Discussions with selected existing institutional investors about a potential equity fundraising were completed and CFCL continues to pursue further discussions with potential new investors in a number of countries. As well, the Company is seeking financial support from governments in Australia and Germany.

At the end of November 2008 CFCL held cash of A\$4.7m / £2.1m, and investments with an economic value of A\$20.6m / £9.4m. As previously announced the Company has recently sold one of these investments for an additional A\$2.4m / £1.1m cash. The Company has no debt.

The Company has sufficient cash without having to sell another unimpaired investment to fund its operations to the end of the first quarter 2009.

In the current market, the value of the Company's investment portfolio is likely to be substantially below its fundamental economic value. As previously advised, the Company continues to receive full interest payments including from those investments that it has already impaired.

The Company and its advisors are continuing to pursue several options to secure additional funding, including seeking new cornerstone investors.

Whilst the current state of the financial markets presents a challenge to the Company, the Board is confident of raising additional funds to secure the future of the Company by the second quarter of 2009 when it may be required.

**Ends**

#### **About CFCL:**

Ceramic Fuel Cells develops new generation hot water heaters that provide both electricity and hot water for the home. This environmentally clean, fuel-cell driven technology converts gas to electricity with higher efficiency and lower emissions than any other method. It replaces existing hot water boilers, and reduces electricity cost for the consumer substantially while continuing to provide hot water. CFCL is developing products with leading appliance partners and utility customers in Germany, France, the United Kingdom, Holland and Japan. CFCL's partners give the Company a clear path into these large markets, in which approximately 6 million home boilers are sold each year. The Company has a 50,000 unit order based on agreed targets from leading Dutch utility Nuon, and is working on securing other orders.

CFCL is listed on the London Stock Exchange AIM market and the Australian Securities Exchange (code CFU). [www.cfcl.com.au](http://www.cfcl.com.au)

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