



CERAMIC FUEL CELLS LIMITED

Clean power for your home

1 July 2010

Ceramic Fuel Cells welcomes Victorian Government review into feed-in tariffs for low-emissions technologies

Ceramic Fuel Cells Limited (AIM/ASX: CFU) – a leading developer of high efficiency and low emission electricity generation units for homes and other buildings – today welcomed the announcement that the Victorian Government has commenced a review into the expansion of feed-in tariffs to include low-emissions technologies.

A feed-in tariff is a rate paid for electricity fed back into the electricity grid from designated renewable and low emission electricity generation sources.

In Victoria there is a 'standard' feed-in tariff (equal to the retail price for electricity, or about 20 cents per kilowatt hour) for electricity fed back into the grid from wind, solar, hydro and biomass generators of up to 100 kilowatts capacity; plus a 'premium' feed-in tariff (of 60 cents per kilowatt hour) for solar systems up to 5 kilowatts capacity.

To date, there has been no feed-in tariff for low-emission electricity production from technologies such as fuel cells.

The Victorian Government has now begun a review to consider the cost effectiveness of extending the feed-in tariff provisions to low-emissions technologies, including fuel cells.

The Government has released a consultation paper and is seeking submissions. The closing date for submissions is 23 July 2010.

Ceramic Fuel Cells will be making a submission to this review.

Feed-in tariffs are being used in many markets to encourage the deployment of renewable and low emissions technologies. From April 2010 the United Kingdom Government introduced a feed-in tariff for small low-emission electricity generators, including fuel cell power and heating products. A feed-in tariff also applies in Germany, France and The Netherlands.

Last week Ceramic Fuel Cells announced that a report by CSIRO has confirmed the significant carbon savings from the Company's BlueGen gas-to-electricity product. When operated continuously each BlueGen unit can save between 12 and 33 tonnes of carbon per year compared to the grid in Victoria. BlueGen also delivers many other environmental benefits: no nitrogen oxide or sulphur oxide emissions, and up to 95 percent less water used than coal fired generators to produce the same amount of electricity.

The Government's consultation paper is available at:
new.dpi.vic.gov.au/energy/energy-policy/greenhouse-challenge/feed-in-tariffs/consultation-paper-review-into-the-potential-expansion-of-feed-in-tariffs

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About Ceramic Fuel Cells Limited

Ceramic Fuel Cells Limited is a world leader in developing fuel cell technology to provide highly efficient and low-emission electricity from widely available natural gas. Ceramic Fuel Cells is developing fully integrated power and heating products with leading energy companies E.ON UK in the United Kingdom, GdF Suez in France and EWE in Germany. The company has sold BlueGen units to major utilities and other foundation customers in Germany, the United Kingdom, Switzerland, The Netherlands, Japan and Australia.

Ceramic Fuel Cells is listed on the London Stock Exchange AIM market and the Australian Securities Exchange (code CFU).

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