

13 November 2013

Ceramic Fuel Cells Limited Operational Update

- **Netherlands: Sale of 45 BlueGENs for Europe's biggest Virtual Power Plant**
- **UK: Partnership with National Grid Affordable Warmth Solutions for the delivery of 10 BlueGEN fuel cell micro-CHP appliances for social housing projects**

Ceramic Fuel Cells Limited (AIM/ASX: CFU), a world leader in developing and manufacturing fuel-cell-based micro power plants provides the following operational update:

Netherlands: 45 BlueGENs to be installed on the Dutch island Ameland

Funding for the largest Virtual Power Plant (VPP) project in Europe has been confirmed by the Dutch 'Wadden Fund'. CFU is pleased to announce that a substantial part of this project will be the installation of 45 BlueGEN fuel cell micro-CHP appliances to generate electricity on the island of Ameland. Installations are anticipated to begin in December with all units installed by the end of March 2014.

The island of Ameland has set itself the goal of being CO₂ neutral by 2020. The renewable energy projects that are being developed, which include a 6 MW solar-field as the largest single installation, will cover 20 percent of the island's total power demand. The whole VPP project has a budget of nearly €1.8million. In addition to the Wadden Fund, the major financial contributor, other parties involved in the project are the Municipality of Ameland, Republiq Power, Sustainable Ameland, local businesses and installers as well as the utility and energy companies Gasterra and Liander.

One of the main goals of the VPP project is to measure the impact of fuel cell technology on the power supply of the island of Ameland. Furthermore, the project aims to demonstrate that a local smart grid for power generation can be modulated up or down to meet peak loads and balance intermittent power from wind or solar by using fuel cells. It is envisaged that on successful completion of the VPP project a further scale up of the number of fuel cell micro-CHP units will be required in order to compensate for the varying energy output of the solar park.

“CFU has a strong track record of VPP installations in cooperation with several renowned partners across Europe. This large-scale project clearly demonstrates the next stage of Virtual Power Plant technology commercialisation”, said Frank Obernitz, Managing Director of CFU’s German subsidiary. “BlueGEN power generation is constantly available and can be adjusted up and down to offset power grid fluctuations. Installed within VPP networks, the technology demonstrates a progressive milestone on the way to a successful transition to higher energy efficiency and cleaner energy.”

UK: National Grid Affordable Warmth Solutions and CFU form a partnership to help reduce fuel poverty in the UK

A partnership has been formed between National Grid Affordable Warmth Solutions (National Grid AWS) and CFU for the delivery of ten BlueGEN m-CHP systems for installation at social housing partners in the UK over the coming year. Under the agreement, National Grid AWS will gift BlueGEN units to Housing Provider partners on the basis of receiving feed in tariff payments, which will fund future projects aimed at reducing fuel costs for social housing tenants. In return the Housing Providers and their residents will benefit from the low cost electricity generated by the BlueGENs.

CFU, over the past twelve months, has established a successful working relationship with National Grid AWS, a Community Interest Company. National Grid AWS has to date supported installations of BlueGEN units within the social housing market as part of its campaign aimed at reducing energy bills for vulnerable, fuel poor customers. For one of its projects at the Madeley Community Centre in North Staffordshire, the installed BlueGEN system has produced energy cost savings of £1,212 in the first seven months of operation, leading to savings for the centre and residents alike.

Bob Kennett, Managing Director of CFU said: “we are very pleased to work in close cooperation with National Grid AWS supporting their objectives to help reduce fuel poverty in the UK. In the face of substantial tariff increases in the coming years, a significant saving on energy costs is very important to most UK households. Our BlueGEN system helps to make such savings a reality.”

Following the installation of BlueGEN systems earlier in the year at the Madeley Centre, Jeremy Nesbitt, Managing Director, National Grid Affordable Warmth Solutions, said "we are excited to be involved in this ground breaking initiative; we are keen to support and promote innovative technologies that help improve the energy efficiency and reduce energy bills for vulnerable homes and communities." He added "we are committed to supporting other BlueGEN installations and sharing widely our learning from the independent study."

-End-

For more information please contact:

Ceramic Fuel Cells Limited

Clifford Ashby (CFO)	Tel. : +61 (0) 3 9554 2300
	Email : investor@cfcl.com.au
Bob Kennett (CEO)	Tel. : +44 776 4200661
	Email : investor@cfcl.com.au
Ludmila Fuhrmann	Tel. : +49 (0) 171 1933 611
Corporate Communications	Email : Ludmila.Fuhrmann@cfcl.com.au

Arden Partners Plc (AIM Nomad)

Steve Douglas	Tel. : +44 (0) 12 1423 8900
---------------	-----------------------------

German media enquiries

Sebastian Mewißen	Tel. : +49 (0) 171 1933 611
Hering Schuppener Consulting	E-Mail : smewissen@heringschuppener.com

Netherlands media enquiries

Kees Jongma	Tel. : +31 (0) 654 79 82 53
SPJ	Email : cjongma@spj.nl

UK media enquiries

David Stürken	Tel. : +44 (0) 207 379 5151
Maitland	Email : dsturken@maitland.co.uk