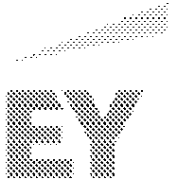


Regards,



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ASX MARKET ANNOUNCEMENT

15 September 2016

Ceramic Fuel Cells Limited (In Liquidation) (Administrators Appointed) ACN 055 736 671 ASX Code CFU ("the Company") Court approval to enter into Deed of Company Arrangement

Dear Sir/Madam

I refer to my appointment together with Mr Justin Walsh as Joint and Several Administrators of the Company on 1 March 2015 and to our subsequent appointments as Joint and Several Liquidators on 16 April 2015 and as Joint and Several Administrators on 27 April 2016. I also refer to previous announcements published on the Australian Stock Exchange ("ASX") since our appointment, in particular, the announcement published on 24 August 2016.

Court Order

On 9 September 2016, the Supreme Court of Victoria heard our application seeking Orders to allow the Company to enter into a Deed of Company Arrangement ("DOCA") proposed by Litigation Capital Partners LLP Pte Limited or its nominee. The nominee has now been confirmed to be Litigation Capital Partners Funding Pte Ltd ("LCP"). On 12 September 2016, the Orders were made (copy enclosed) which require the Company and LCP to execute the DOCA within 14 days. The Orders also have the effect of terminating the Company's Liquidation upon execution of the DOCA, amongst other things.

DOCA and Creditors' Trust

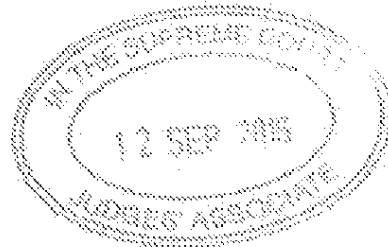
The DOCA, Creditors' Trust and associated documents have been finalised and we are currently preparing in advance to meet the terms of the DOCA to enable it to be quickly effectuated.

The DOCA requires, amongst other things, that the Company issue new share capital of 15% to LCP and it requires the replacement of directors with LCP nominated directors. Upon effectuation of the DOCA and termination of the Liquidation, the Company will be managed by the LCP nominated directors and will no longer be under any form of external administration. This will assist to enable the Company to be reinstated on the ASX in the future.

A further update will be published on the ASX upon execution of the DOCA.

Should you have any queries, please contact Mr Kim Leck of my office on +61 3 9288 8793.

IN THE SUPREME COURT OF VICTORIA
AT MELBOURNE
COMMERCIAL COURT
REDCREST CORPORATIONS LIST



SECI 2016 01131

IN THE MATTER OF CERAMIC FUEL CELLS LIMITED (IN LIQUIDATION)
(ADMINISTRATORS APPOINTED) ACN 055 736 671

BETWEEN

ADAMS PAULS NIKITINS AND JUSTIN DENIS WALSH IN THEIR CAPACITY AS
LIQUIDATORS AND ADMINISTRATORS OF CERAMIC FUEL CELLS LIMITED (IN
LIQUIDATION) (ADMINISTRATORS APPOINTED) ACN 055 736 671

First Plaintiff

and

CERAMIC FUEL CELLS LIMITED (IN LIQUIDATION) (ADMINISTRATORS
APPOINTED) ACN 055 736 671

Second Plaintiff

GENERAL FORM OF ORDER

JUDGE: The Honourable Justice Sifris

DATE MADE: 12 September 2016

ORIGINATING PROCESS: Redcrest Originating Process filed on 22 June 2016

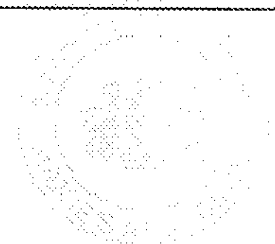
HOW OBTAINED: At the trial of the proceeding

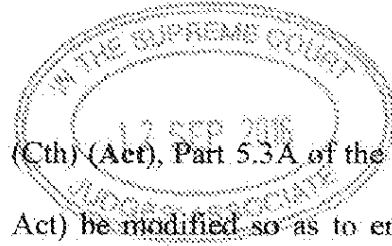
ATTENDANCE: Dr O Bigos of Counsel for the plaintiffs

OTHER MATTERS: The Court read the affidavit of Adams Pauls Nikitins sworn 16 August 2016 (Nikitins Affidavit) and exhibits to it.

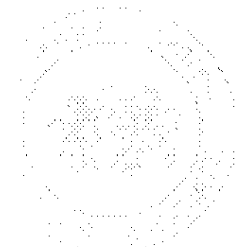
THE COURT ORDERS AND DIRECTS THAT:

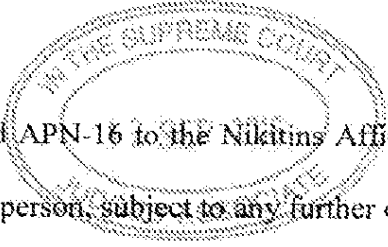
1. The Plaintiffs have leave to file an Amended Originating Process in the form placed on the Court file.



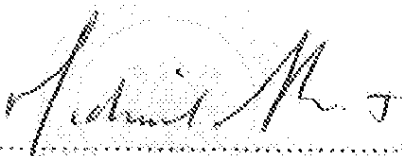


2. Pursuant to s 447A of the *Corporations Act 2001* (Cth) (Act), Part 5.3A of the Act (and in particular ss 439C(a), 444A and 444B of the Act) be modified so as to enable the second plaintiff (Company) to execute the proposed deed of company arrangement (Deed) substantially in the form of Exhibit APN-17 to the Nikitins Affidavit.
3. Pursuant to s 444B(2)(b) of the Act, the time within which the Company must execute the Deed be extended until the date which is 14 days after the making of these orders.
4. Pursuant to section 447A of the Act, Part 5.3A of the Act be modified so that the meetings convened, and the reports sent to creditors, by the first plaintiffs (Nikitins and Walsh) as administrators / liquidators of the Company, be deemed to satisfy any obligations of Nikitins and Walsh under s 508 of the Act as liquidators of the Company.
5. Pursuant to s 447A and/or s 447D of the Act, Nikitins and Walsh are permitted to reallocate and are justified in reallocating the amounts which were approved in the remuneration resolutions (passed at the creditors' meeting on 1 June 2016), so the amounts may be applied as follows:
 - (a) pre-Tiga DOCA execution phase capped in the amount of \$62,272 (plus GST);
 - (b) post-Tiga DOCA execution phase capped in the amount of \$10,000 (plus GST); and
 - (c) Creditors' Trust finalisation phase capped in the amount of \$32,728 (plus GST),as those expressions are defined in the Nikitins Affidavit.
6. Pursuant to s 482(1) of the Act, the winding up of the Company be terminated from the time when the Deed is executed.
7. Pursuant to s 482(3) of the Act, Nikitins and Walsh hand over the management and control of the Company to relevant representatives of the proponents of the Deed, from the time when the Deed is executed.



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8. Confidential Exhibits APN-13, APN-14, APN-15 and APN-16 to the Nikitins Affidavit be kept in a sealed envelope, not to be opened by any person, subject to any further order of the Court.
9. The Plaintiffs' costs of and incidental to this application be paid from the assets of the Company as costs in the winding up.

DATE AUTHENTICATED: 12 September 2016



THE HONOURABLE JUSTICE SIFRIS