



CERAMIC FUEL CELLS LIMITED

Clean power for your home

22 March 2010

CERAMIC FUEL CELLS FORMS PARTNERSHIP WITH MITSUI & OSAKA GAS

Ceramic Fuel Cells Limited (AIM/ASX: CFU), a leading developer of high efficiency and low emission electricity generation units for homes and other buildings, has formed a partnership with leading Japanese companies Mitsui & Co. and Osaka Gas.

Mitsui & Co. has ordered a Ceramic Fuel Cells BlueGen gas-to-electricity unit, to be tested and demonstrated by Osaka Gas at its testing facility in Osaka.

Osaka Gas is a leader in developing and selling home power and heating products in Japan.

Since 2003 Osaka Gas has sold more than 56,000 co-generation products to residential customers. These products use internal combustion technology to generate up to 1 kilowatt of electricity with an electrical efficiency of 22.5 percent. In mid 2009 Osaka Gas began marketing a co-generation product based on PEM fuel cell technology, which can generate up to 0.75 kilowatts at an electrical efficiency of up to 35 percent.

Ceramic Fuel Cells' BlueGen product can generate up to 2 kilowatts of electricity with a peak electrical efficiency of up to 60 percent.

Founded in 1905, Osaka Gas is one of the top seven gas companies in the world, with 2009 revenues of US\$13 billion and 19,000 staff. Osaka Gas supplies natural gas to 6.9 million customers in Osaka and the surrounding region, representing 26 percent of all gas sold in Japan. Osaka Gas is developing into a multi-energy services provider of natural gas, electricity, LPG, district heating/cooling and other services.

Mitsui & Co is one of Japan's leading trading companies, with more than 39,000 employees in 65 countries. Mitsui & Co. has global operations in product sales, worldwide logistics and financing, the development of international infrastructure and other projects. Mitsui & Co. has a long established focus on energy including renewables and fuel cells.

About the size of a dishwasher, BlueGen is the latest breakthrough in small scale electricity generation. Each BlueGen unit can produce enough electricity and heat to meet the annual requirements for power and hot water of the average Japanese home.

BlueGen units can generate electricity at a peak electrical efficiency of 60 percent, 25 percent higher than other small scale solid oxide fuel cell systems under test in Japan. When heat is recovered for hot water, total efficiency is up to 85 percent – twice as efficient as the current power grid.

By generating power close to where it is used, Ceramic Fuel Cells' products can meet the future demand for electricity without the need for huge investments in electricity transmission and distribution infrastructure.

Brendan Dow, Ceramic Fuel Cells' Managing Director says – "We are delighted to have Osaka Gas as our first utility customer in Japan, in addition to our current appliance partner Paloma. Japan is a leading market for fuel cells, with more fuel cell systems installed in homes than in any other country. Osaka Gas is one of the leaders in this market, and having support from Mitsui, their very deep knowledge of the Japanese market will be very positive for us."

The order from Mitsui & Co. and Osaka Gas follows recent orders for BlueGen units from other major utilities in Germany and The Netherlands, including E.ON Ruhrgas, EWE, RheinEnergie, Alliander and Gasterra. Earlier this week Ceramic Fuel Cells also received a BlueGen order from Swiss utility Cosvegas. Ceramic Fuel Cells has also made BlueGen sales to customers in Australia and to the Paloma Group – owner of Rheem and Solahart – in Japan. Ceramic Fuel Cells is also operating 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.

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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. The Company is developing micro combined heat and power and distributed generation units that generate electricity and heat for homes and other buildings. Ceramic Fuel Cells is developing products with leading appliance partners and utility customers in Germany, France, the United Kingdom and Japan. In 2009 the company launched its BlueGen gas-to-electricity product.

Ceramic Fuel Cells is headquartered in Melbourne, and has operations in the UK and Germany. In October 2009 the Company opened its fuel cell stack manufacturing plant in the Industriepark Oberbruch in the North Rhine-Westphalia region of Germany. The Company is listed on the London Stock Exchange AIM market and the Australian Securities Exchange (code CFU).

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