



PRESS RELEASE

New agreement could see fuel cell power stations across the UK

Three British companies have joined forces to develop a game-changing venture in clean power generation. Energy pioneers Powerfuel Power Ltd, B9 Coal Ltd and AFC Energy Plc have signed a binding Letter of Intent to install AFC Energy's revolutionary fuel cell technology at Powerfuel's Hatfield site near Doncaster.

The agreement envisages the creation of a Joint Venture (JV) between B9 Coal and Powerfuel to exclusively develop low-carbon fuel cell power stations in the UK. B9 Coal will be responsible for installing up to 300 megawatts (MW) of AFC Energy's fuel cell technology alongside Powerfuel's planned integrated gasification combined cycle (IGCC) power station. The agreement also includes an option to rollout the technology to further territories worldwide in the future.

"This business venture with Powerfuel is a wonderful opportunity for fuel cell technology on both a local and global scale. Together we can offer a technically advanced solution to the problem of rising carbon emissions, as well as a practical and commercial template for clean energy generation. In the pursuit of a low carbon future, innovative ventures such as these will lie at the heart of a sustainable energy mix," commented Alisa Murphy, Director B9 Coal Ltd.

Powerfuel is constructing a large scale IGCC, near zero emissions power station with carbon capture capability at the Hatfield site. Initial construction will involve an 800 MW combined cycle gas turbine (CCGT) facility optimised for 'syngas' conversion and operation. Powerfuel then plan to convert the CCGT plant into a 900 MW IGCC power station fuelled by its extensive coal resources at Hatfield colliery.

The syngas used in the plant can easily be passed through a clean-up process to produce hydrogen as a feedstock for AFC Energy's low cost alkaline fuel cells. AFC Energy's technology converts hydrogen to emissions-free electricity at 60% electrical efficiency.

"This venture with B9 and AFC supports Powerfuel's aspiration of leading the drive for low cost clean energy from fossil fuels. In our IGCC project, the lowest carbon capture technology commercially available today will be demonstrated, but through this agreement and others like it, Powerfuel are looking forward at how the cost can be reduced further. Delivering competitive clean power, at a price affordable to the consumer, has to be the aspiration of every responsible generator." Grant Budge, Chief Operating Officer, Powerfuel Power Ltd.

The deployment marks the second clean coal project in the UK to adopt AFC Energy's technology. In August, B9 Coal announced that they were putting forward a major consortium bid for the Department of Energy and Climate Change (DECC) carbon capture and storage (CCS) demonstration competition. The groundbreaking project proposed at Rio Tinto Alcan's Lynemouth Smelter in Northumberland will combine AFC Energy's fuel cell technology with Linc Energy's Underground Coal Gasification (UCG), a process which could potentially give access to an extra 17 billion tonnes of coal in the UK.

Ian Balchin, CEO of AFC Energy Plc, commented: *"This landmark agreement provides further market validation for our low cost, low carbon fuel cell technology in large scale power generation projects. Combined with growing opportunities in the industrial and waste-to-energy sectors, we believe it is truly transitional: solving the carbon conundrum of fossil fuels whilst enabling the renewable energy economy."*

The planned installation at a major low carbon power station such as Hatfield is testament to the growing understanding of the fuel cell as a pull-through technology for the widespread adoption of CCS. AFC Energy's fuel cell technology is gaining considerable momentum across a variety of industries and applications, including the chlor-alkali sector, waste-to-energy, clean coal and natural gas.



Notes to Editors:

AFC Energy

AFC Energy is the world's leading developer of low-cost alkaline fuel cells. AFC Energy's technology is focused on large-scale industrial applications and the objective of producing the lowest possible unit cost electricity.

Website: www.afcenergy.com

Twitter: <http://twitter.com/afcenergy>

Facebook: www.facebook.com/pages/AFC-Energy/134431146571694?ref=ts

YouTube: www.youtube.com/user/afcenergy

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B9 Coal

B9 Coal was established in 2009 with the objective of developing projects combining coal gasification with Carbon Capture and Storage (CCS) and alkaline fuel cell technology. B9 Coal brings together major corporations to develop pioneering clean energy and carbon capture projects across the world.

Website: www.b9coal.com

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Powerfuel Power

Powerfuel Power Limited is part of the Powerfuel plc Group of Companies and is an independent power generation company formed to develop a power station adjacent to Hatfield Colliery at Stainforth (South Yorkshire) in the United Kingdom.

Website: <http://www.powerfuel.plc.uk/index.html>

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