

23 March 2009



Ceres Power Holdings plc
(‘Ceres’, ‘Ceres Power’ or the ‘Company’)

Mother Plant facility secured

Ceres Power announces that it has secured a facility for the volume manufacturing of its fuel cells. The facility is located in Horsham, South East England and includes an existing building (formerly used for a semi-conductor production facility) which is well suited to Ceres’ production requirements.

The 50,000 sq. ft. (5,000 m²) building has been secured on a long leasehold and is located within 10 miles of Ceres Power’s headquarters. The site’s convenient location helps to minimise logistics costs and facilitate technology transfer from the existing Ceres pilot plant in Crawley. Ceres will use the new facility to mass manufacture fuel cells and for volume assembly of fuel cell stacks and fuel cell modules, using the scalable processes and machines developed and trialled at the Company’s existing pilot plant.

In accordance with the Company’s published CHP roadmap, during H1 2009 the facility will be fitted-out and the key fuel cell manufacturing equipment procured. During H2 2009 an initial manufacturing line will be commissioned and manufacturing operations will commence. Low volume beta units will be produced in 2009 and into 2010 for sheltered field trials under the contract with British Gas and during 2010 additional equipment will be installed to deliver the higher volumes required for commercial field trials and in preparation for volume launch with British Gas in 2011. The site is intended to provide the potential for expansion beyond the previously indicated one million fuel cells per annum.

Ceres’ strategy is to manufacture in-house the intellectual property-rich fuel cell core technology and to assemble the fuel cell module, the common ‘electrochemical engine’ platform across the Ceres product range. Assembly of the CHP products in volume is intended to be completed by an assembly partner in accordance with Ceres’ design.

The development of a UK-based volume fuel cell manufacturing facility will create a significant number of new skilled ‘green-collar’ jobs both directly at the facility and in the surrounding area via the Company’s extended supply chain.

Peter Bance, Chief Executive Officer of Ceres Power, commented:

“We are delighted to have achieved another significant milestone for Ceres Power. Securing the site where we will establish our fuel cell mass manufacturing is a key step forward in the commercialisation of our technology and underpins our roadmap to volume launch of our CHP products in the UK. This plant will also provide the template for further expansion internationally and will help support Ceres Power’s growth plans into other markets”.

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