



Notice of Extraordinary General Meeting

Dear Shareholder

On behalf of the directors of Ceramic Fuel Cells Limited, I am pleased to invite you to attend our Extraordinary General Meeting to be held for shareholders to consider whether to approve and ratify issues of securities, and to approve the granting of financial assistance, in connection with our capital raising announced on 6 May 2013. Along with this Notice of Extraordinary General Meeting, you will receive a Proxy Form. AIM Depositary Interest holders will receive a 'Form of Instruction', which is similar to a Proxy Form.

If you are attending the meeting, please bring your Proxy Form with you. Corporate shareholders should complete a Certificate of Appointment of Representative, to enable a representative to attend and participate in the meeting on their behalf. A form of this certificate is available from the Company's share registry.

If you are unable to attend the meeting, I encourage you to complete the Proxy Form or Form of Instruction and return it to our share registry. Instructions on how to return the forms are set out in this Notice of Extraordinary General Meeting. For your votes to be counted at this meeting, please return the Proxy Form or Form of Instruction by the date and times specified on these forms, and in accordance with the instructions set out on those forms and in this Notice of Extraordinary General Meeting.

On behalf of the Company I encourage you to sign up to Computershare's e-Tree service to receive shareholder information online. Just go to www.cfcl.com.au/e_Tree and follow the links to register.

Yours sincerely

Alasdair Locke

Chairman

Meeting Details:

Time: 6.00pm, 2 July 2013

Place: DLA Piper Australia, 140 William Street, Melbourne, Victoria

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Notice of Extraordinary General Meeting

Notice is given that an Extraordinary General Meeting of shareholders of **Ceramic Fuel Cells Limited** (ACN 055 736 671) (**CFCL or Company**) will be held at 6.00pm on 2 July 2013 at the offices of DLA Piper Australia, Level 21, 140 William Street, Melbourne, Victoria 3000 for the purposes outlined below in this Notice of Extraordinary General Meeting.

The Explanatory Notes accompany and form part of this Notice of Extraordinary General Meeting and provide additional information on matters to be considered at the meeting. This Notice of Extraordinary General Meeting and the Explanatory Notes should be read in their entirety.

Special Business

Resolution 1: Approval of issue of loan notes to Mr Alasdair Locke

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholders approve the issue of £200,000 of secured convertible loan notes to Mr Alasdair Locke which can be converted into 9,345,794 new ordinary shares in the Company at an issue price of 2.14 pence per share (approximately 3.2 cents per share) on the terms and conditions summarised in the Explanatory Notes.

Voting Exclusion Statement

CFCL will disregard any votes cast on this resolution by:

- Mr Alasdair Locke; and
- any associate of Mr Alasdair Locke.

However, CFCL will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 2: Approval of financial assistance in connection with the issue of secured convertible loan notes

To consider and, if thought fit, pass the following resolution as a special resolution:

That, for the purposes of section 260B(1)(a) of the Corporations Act and for all other purposes, shareholders approve the giving of financial assistance by the Company in connection with the issue of £4.3 million secured convertible loan notes, by the Company securing the loan notes against its assets by way of a general security deed, and otherwise on the terms and conditions summarised in the Explanatory Notes.

Voting Exclusion Statement

CFCL will disregard any votes cast on this resolution by:

- any person who, if the resolution is passed, will acquire secured convertible loan notes or new ordinary shares on conversion; and
- any associate of that person (or those persons).

However, CFCL will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 3: Ratification of issue of New Ordinary Shares and Loan Notes

To consider and, if thought fit, pass the following as an ordinary resolution:

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue and allotment of 32,710,300 new ordinary shares in the Company to institutional investors as further described in the explanatory notes at an issue price of 2.14 pence per share (approximately 3.2 cents per share), and the issue of £4.1 million secured convertible loan notes which can be converted into 191,588,785 new ordinary shares in the Company to institutional investors as further described in the explanatory notes, such secured convertible loan notes to be convertible into new ordinary shares in the Company at an issue price of 2.14 pence per share (approximately 3.2 cents per share), both on the terms and conditions summarised in the Explanatory Notes.

Voting Exclusion Statement

CFCL will disregard any votes cast on this resolution by:

- any person who participated in the issue of new shares or secured convertible loan notes; and
- any associate of that person (or those persons).

However, CFCL will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By order of the Board



Glenn Raines

Company Secretary

30 May 2013



Proxy and Voting Information

Proxies

If you are unable to attend the Extraordinary General Meeting, please note that a shareholder entitled to attend and vote at the Extraordinary General Meeting has the right to appoint a proxy (which may be an individual or a body corporate). A proxy need not be a member of CFCL. A shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. (If proportions or numbers are not specified, each proxy may exercise half the available votes.)

A Proxy Form accompanies this Notice of Extraordinary General Meeting.

For the appointment of a proxy to be effective, you must return the completed Proxy Form (and, if the appointment is signed by the appointor's attorney, the authority under which the appointment was signed or a certified copy of the authority) to Computershare Investor Services Pty Ltd (**Computershare Australia**) at least 48 hours before the meeting.

You can send your Proxy Form to Computershare Australia by using the Reply Paid Envelope enclosed with this Notice of Extraordinary General Meeting, or by:

- Posting it to: Computershare Investor Services Pty Limited, GPO Box 242 Melbourne, Victoria 3001 Australia
- Delivering it to: Computershare Investor Services Pty Limited, 452 Johnston Street, Abbotsford, Victoria 3067
- Electronically at www.investorvote.com.au by following the instructions provided
- Faxing it to: (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555
- For Intermediary Online subscribers only: (custodians) www.intermediaryonline.com

Depository Interest holders

Holders of Depository Interests traded on the London Stock Exchange AIM market will receive a Form of Instruction instead of a Proxy form. The Form of Instruction allows the Depository Interest holder to direct the Custodian of the Depository Interest, Computershare Clearing Pty Ltd CCNL DI a/c, to vote on their behalf at the Extraordinary General Meeting.

Depository Interest holders should return the Form of Instruction to Computershare in the United Kingdom – not to CFCL or to Computershare Australia. The address and deadline for returning the form are set out in the Form of Instruction. If Depository Interest holders wish to attend the meeting they should contact Computershare's UK office for a Letter of Representation.

Electronic voting instructions via the CREST voting system

Depository Interest Holders who are CREST members and who wish to issue an Instruction through the CREST electronic voting appointment service may do so by using the procedures described in the CREST manual (available from www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Voting Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (EUI) and must contain the information required for such instructions, as described in the CREST Manual.



The message, regardless of whether it relates to the voting instruction or to an amendment to the instruction given to the Depositary must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) no later than 3:00pm (British Summer Time) on 27 June 2013. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the issuer's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that the CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST service by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Voting Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate Representatives

Corporate shareholders wishing to appoint a representative to attend the meeting on their behalf must provide that person with a properly executed letter (under the common seal of the corporation or otherwise in accordance with section 127 of the *Corporations Act 2001* (Cth) (**Corporations Act**) or signed by an attorney) confirming that they are authorised to act as the company's representative. The authorisation may be effective either for this meeting only or for all meetings of CFCL and should be produced by the representative prior to admission to the meeting.

Eligibility to vote at the meeting

CFCL has determined, for the purposes of voting at the meeting, that CFCL shares are taken to be held by those shareholders registered at 7.00pm (Melbourne time) on 30 June 2013.

Registration

If you are attending the meeting, please bring your personalised proxy form with you. The barcode at the top of the form will make it easier for you to register to vote. If you do not bring your form, you will still be able to attend the meeting, but representatives from CFCL or Computershare will need to verify your identity when registering.

Undirected Proxies

The Chairman of CFCL will chair the meeting and will vote undirected proxies in favour of all resolutions. CFCL encourages all shareholders who submit proxies to direct their proxy how to vote on each resolution.

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Explanatory Notes

These Explanatory Notes have been prepared to provide material information to enable shareholders to make an informed decision in relation to the business to be conducted at the Extraordinary General Meeting of the Company. These Explanatory Notes form part of the Notice of Extraordinary General Meeting.

Shareholders are also referred to, and encouraged to read, recent announcements made by the Company both to the ASX and by way of notification to the Company's Regulatory Information Service provider for additional relevant information in relation to the Company's affairs.

Background to this meeting

As announced to the ASX on 6 May 2013, the Company has conditionally raised £5.0 million (A\$7.6 million) (before expenses). The Company conditionally has raised £4.3 million (A\$6.5 million) through the issue of secured convertible loan notes (**Loan Notes**) to a number of institutional investors (**Loan Note Holders**) and a further £0.7 million (A\$1.1 million) through the placing of 32,710,300 new ordinary shares in the Company (**New Ordinary Shares**) (**Placing**). The issue of £0.2 million (A\$0.3 million) of the Loan Notes is conditional on shareholder approval of Resolution 1 as detailed in this Notice of Extraordinary General Meeting, and the issue of security by the Company to secure the amount owing under the Loan Notes is conditional on shareholder approval of Resolution 2 as detailed in this Notice of Extraordinary General Meeting.

This meeting deals with the various items in connection with the issue of the Loan Notes and the Placing that require approval of the shareholders of the Company.

Resolution 1: Approval of issue of loan notes to Mr Alasdair Locke

Background

The Company has agreed to issue £200,000 of Loan Notes to Mr Alasdair Locke (who is Chairman of the Company) which can be converted into 9,345,794 New Ordinary Shares at an issue price of 2.14 pence per share (approximately 3.2 cents per share). Completion of this issue is conditional on the meeting being convened and shareholders passing this Resolution 1.

Mr Locke currently holds 73,912,988 ordinary shares in the Company, representing 4.6% of the issued share capital of the Company. If this Resolution 1 is passed and Mr Locke is issued Loan Notes as described above, on conversion of those Loan Notes to New Ordinary Shares (assuming no other conversion of Loan Notes nor any conversion of any accrued but unpaid interest), Mr Locke will have:

- a) a relevant interest in 83,258,782 shares in the Company; and
- b) voting power in the Company of 5.2%.

Listing Rule 10.11

Listing Rule 10.11 provides that subject to certain exceptions, a listed company must not issue or agree to issue equity securities to a related party without shareholder approval. Mr Locke, as a director, is a related party of the Company.

Accordingly, Resolution 1 seeks shareholder approval of the issue of Loan Notes to Mr Locke. If Resolution 1 is not passed, the Company will not be able to issue the Loan Notes to Mr Locke.

Listing Rule 7.1

ASX Listing Rule 7.1 restricts the number of securities a listed entity may issue without shareholder approval (subject to certain exemptions) in any 12 month period to 15% of the existing securities on issue. This 15% limit is referred to in this Notice of Extraordinary General Meeting as the Company's "placement capacity".

If shareholder approval is given under Listing Rule 10.11 for the issue of Loan Notes to Mr Locke, then shareholder approval is not required under Listing Rule 7.1. Accordingly, if this Resolution 1 is passed, the Loan Notes issued to Mr Locke will not be counted towards the Company's placement capacity.

ASX Listing Rule 10.13 Information

In accordance with ASX Listing Rule 10.13, the Directors provide the following information to enable the shareholders to consider the proposed issue of Loan Notes to Mr Locke:

- The proposed Loan Notes will be issued to Mr Alasdair Locke. He is a related party of the Company because he is a director.
- Conversion of the Loan Notes will result in a maximum of 9,345,794 New Ordinary Shares being issued to Mr Locke.
- The Loan Notes are expected to be issued shortly after the date of the meeting, but will be issued no later than 1 month after the date of the meeting.
- The Loan Notes are convertible into New Ordinary Shares in the Company at the issue price of 2.14 pence per share (approximately 3.2 cents per share), being a discount of 42.9 per cent to the share price at close of business on 2 May 2013 on AIM, the latest practicable date prior to announcement of the Placing.
- The New Ordinary Shares resulting from conversion of the Loan Notes will be ordinary shares that rank in all other respects equally with the Company's existing ordinary shares and are expected to be quoted on the London Stock Exchange AIM market and the ASX.
- The proceeds from the issue of the Loan Notes will provide the Company with further working capital. The directors expect that, with the addition of these funds, the Company will have sufficient working capital to meet its needs through to the end of calendar year 2013.

As mentioned above, if Resolution 1 is not passed, the Company will not be able to issue the Loan Notes to Mr Locke. This will reduce the amount of funds raised by £200,000 (approximately A\$300,000) and would reduce the amount of working capital available to the Company. While this would not be expected to materially impact the Company's view that it will have sufficient working capital to meet its needs through to the end of calendar year 2013, shareholders are encouraged to approve this participation given the Company's anticipated funding requirements.

The Directors (except for Mr Alasdair Locke) recommend that shareholders vote in favour of Resolution 1. The Chairman intends to direct the votes of undirected proxies in favour of Resolution 1.

Resolution 2: Approval of financial assistance in connection with the issue of secured convertible loan notes

Background

As announced to the ASX on 6 May 2013, the Company has recently undertaken a capital raising initiative; being the issue of the Loan Notes and the Placing.

The Loan Notes involve an investment by the Loan Note Holders in the Company as follows:

- The Loan Note Holders provide funds to the Company to provide the Company with further working capital. The directors expect that, with the addition of these funds, the Company will have sufficient working capital to meet its needs through to the end of calendar year 2013.
- The Loan Notes are repayable in full on 3 May 2016, being the third anniversary of the date of the Loan Note Instrument. The Loan Notes bear interest at a rate of 9 per cent per annum which is payable by the Company quarterly in arrears.
- At any time, the Loan Notes can be converted into New Ordinary Shares in the Company at the issue price of 2.14 pence per share, being a discount of 27 per cent to the ASX quoted share price at close of business on 2 May 2013. The Company has the ability to convert the Loan Notes in whole or in part from 3 November 2014, provided that the average share price of the Company's ordinary shares has been above 10 pence per ordinary share (approximately 15.2 cents) for a period of at least 20 consecutive business days.

- If the Loan Notes were converted in full, the resulting New Ordinary Shares issued would represent approximately 11.2 per cent of the Company's issued share capital on Admission of the shares to trading.
- The Loan Notes are proposed to be secured against the assets of the Company by way of a general security deed (subject to shareholder approval being obtained, which is the subject of this Resolution 2). In the event that such shareholder approval is not obtained and the security deed is not made effective by 3 September 2013, the Loan Notes and accrued interest become immediately repayable. In such circumstances there is a high probability that the required repayment would place the solvency of the Company in doubt.
- The Company may redeem the Loan Notes prior to their maturity in consideration of payment of an early redemption fee. The quantum of such fee will depend on the length of time between the redemption date and the maturity of the Loan Notes.

Information required to be given to shareholders by section 260B(4) of the Corporations Act

Reasons for financial assistance:

As noted above, the Loan Note Holders provide funds to the Company to provide the Company with further working capital. The directors expect that, with the addition of the funds from the Loan Notes (and from the Placing), the Company will have sufficient working capital to meet its needs through to the end of calendar year 2013. The Company was required, as a precondition to the Loan Note Holders investing in the Company, to enter into the general security deed, subject to shareholder approval, to secure the Loan Notes against the assets of the Company.

Effect of financial assistance on the financial position of the Company:

Subject to shareholder approval, the Loan Notes will be secured against the assets of the Company by way of a general security deed. This means that:

- the Loan Note Holders are secured creditors of the Company. In these circumstances, if the Company is unable to repay any amount outstanding in connection with the Loan Notes, then a person seeking repayment of such amount may institute proceedings seeking (either or both of) repayment of the relevant amount, appointment of a receiver to recover these monies and possibly winding up of the Company if the Company cannot satisfy its repayment obligations. If a receiver is appointed to the Company or it is wound up in these circumstances, the proceeds from sale of the assets of the Company may be used (in whole or in part, depending on the amount outstanding in connection with the Loan Notes) to repay the outstanding amount;
- entry into the general security deed may, in the future, either limit the ability of the Company to secure loan funding from a third party debt provider, or increase the cost of such funding.

Corporations Act requirements

Section 260A of the Corporations Act contains restrictions on the ability of a company to provide financial assistance in connection with the acquisition of its own shares.

The Loan Notes being secured against the assets of the Company, by way of a general security deed, may amount to financial assistance for the purpose of section 260A of the Corporations Act.

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company, or in a holding company only if, amongst other things, the assistance is approved by shareholders under section 260B of the Corporations Act. In accordance with section 260B(1)(a) of the Corporations Act, no votes may be cast in favour of the special resolution by any Loan Note Holder or any of their associates.

The directors have resolved to seek the approval of shareholders to the provision of financial assistance by the Company.

Set out above are the details required, by section 260B(4) of the Corporations Act, to be provided to the shareholders of the Company in relation to the proposed financial assistance.

A copy of the Notice of Extraordinary General Meeting, along with a copy of these Explanatory Notes, was lodged with ASIC before being sent to members, in accordance with section 260B(5) of the Corporations Act.

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The directors consider that these Explanatory Notes set out all the information known to the Company that is material to the decision on how to vote on this Resolution 2.

The Directors (except for Mr Alasdair Locke) recommend that shareholders vote in favour of Resolution 2. The Chairman intends to direct the votes of undirected proxies in favour of Resolution 2.

Resolution 3: Ratification of issue of New Ordinary Shares and Loan Notes

Regulatory background

ASX Listing Rule 7.1 restricts the number of securities a listed entity may issue without shareholder approval (subject to certain exemptions) in any 12 month period to 15% of the existing securities on issue. This 15% limit is referred to in this Notice of Extraordinary General Meeting as the Company's "placement capacity".

The Company is seeking shareholder approval to ratify the issue of New Ordinary Shares and Loan Notes as outlined above for the purposes of ASX Listing Rule 7.4, to ensure that such issue of New Ordinary Shares and Loan Notes does not reduce the Company's placement capacity going forward.

Placing

The Company has raised £0.7 million (before expenses) by way of a non-pre-emptive placing of 32,710,300 New Ordinary Shares at a price of 2.14 pence per New Ordinary Share.

The New Ordinary Shares will represent approximately 2.1 per cent of the enlarged issued share capital of the Company immediately after Admission and will, when issued, rank in full for all dividends and other distributions declared, made or paid following their date of issue, and will otherwise rank pari passu in all respects with the other ordinary shares then in issue.

Following Admission, the Company's total issued share capital will consist of 1,591,941,620 ordinary shares.

Loan Notes

Details of the Loan Notes are outlined above in the Explanatory Notes relevant to Resolution 2.

Listing Rule 7.4

As mentioned previously, ASX Listing Rule 7.1 restricts the number of securities a listed entity may issue without shareholder approval (subject to certain exemptions) in any 12 month period to 15% of the existing securities on issue.

Listing Rule 7.4 permits an issue of securities made without shareholder approval under, and which otherwise did not breach, Listing Rule 7.1, to be subsequently ratified by shareholders so that the issue does not need to be counted towards a company's placement capacity.

Accordingly, Resolution 3 seeks ratification by shareholders of the issue of the New Ordinary Shares and the issue of Loan Notes in the manner outlined above. The Company confirms that the issue of these New Ordinary Shares and the issue of these Loan Notes did not breach Listing Rule 7.1.

The outcome of Resolution 3 will have no effect on the issue of the New Ordinary Shares and the issue of the Loan Notes as they have already been issued. However, if Resolution 3 is passed, the New Ordinary Shares and the Loan Notes will not be counted towards the Company's placement capacity pursuant to Listing Rule 7.1, and the Company will have the flexibility to issue further shares (if necessary) within the placement capacity without requiring shareholder approval.

If Resolution 3 is not passed, it will limit the ability of the Company to issue shares in the 12 months following the issue of the New Ordinary Shares and Loan Notes without prior shareholder approval.

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ASX Listing Rule 7.5 Information

In accordance with ASX Listing Rule 7.5, the Directors provide the following information to enable the shareholders to consider the issue of the New Ordinary Shares and the Loan Notes:

- The number of shares issued and allotted, pursuant to the Placing, was 32,710,300 New Ordinary Shares.
- The number of shares that will be issued and allotted upon conversion of the Loan Notes is 191,588,785.
- The issue price of the shares under the Placing is 2.14 pence per share (approximately 3.2 cents per share).
- The total issue price of the Loan Notes is £4.1 million (approximately \$6.3 million).
- The shares were issued, pursuant to the Placing, to the following institutional investors in the Company:

| Investor | Number |
|---------------------------------------|------------|
| Ignis Investment Services | 18,691,600 |
| Kleinwort Benson Investors Dublin Ltd | 14,018,700 |

- The Loan Notes were issued to, and may be converted by the following institutional investors in the Company:

| Investor | Value |
|---|----------|
| The Caddis Master Fund Limited | £150,000 |
| Southern Fox Investments Ltd | £650,000 |
| Aequitas Investments Limited | £650,000 |
| HFM Pty Ltd | £650,000 |
| The City of Bradford Metropolitan District Council (on behalf of the West Yorkshire Pension Fund) | £500,000 |
| Artemis Alpha Trust plc | £500,000 |
| HSBC Global Custody Nominee (UK) Limited A/C 811548 | £400,000 |
| Arden Partners PLC | £200,000 |
| TFC Capital LLP | £200,000 |
| Bradshaw Asset Management Limited | £100,000 |
| Innovation Management Limited | £100,000 |

- The New Ordinary Shares (including the New Ordinary Shares that will be issued upon conversion of the Loan Notes) are ordinary shares that rank equally with the Company's existing ordinary shares and will be quoted on the London Stock Exchange's AIM market and the ASX.
- The proceeds from the issue of the New Ordinary Shares and the Loan Notes will provide the Company with further working capital. The directors expect that, with the addition of these funds, the Company will have sufficient working capital to meet its needs through to the end of calendar year 2013.

The Directors recommend that shareholders vote in favour of Resolution 3. The Chairman intends to direct the votes of undirected proxies in favour of Resolution 3.



Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number:

SRN/HIN:

PIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 6.00pm (Melbourne Time), Sunday 30 June 2013

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

only
this Document is printed on Greenhouse Friendly™ ENVI Laser Carbon Neutral Paper

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Ceramic Fuel Cells Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Extraordinary General Meeting of Ceramic Fuel Cells Limited to be held at the offices of DLA Piper Australia, 140 William Street, Melbourne, Victoria 3000 on Tuesday, 2 July 2013 at 6.00pm (Melbourne Time) and at any adjournment of that meeting.

Important for Items 1 and 2: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Items 1 and 2 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 1 and 2 and your votes will not be counted in computing the required majority if a poll is called on these Items. The Chairman of the Meeting intends to vote undirected proxies in favour of Items 1 and 2 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

| | For | Against | Abstain |
|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 Approval of issue of loan notes to Mr Alasdair Locke | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 Approval of financial assistance in connection with the issue of secured convertible loan notes | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 Ratification of issue of New Ordinary Shares and Loan Notes | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3
 Sole Director and Sole Company Secretary Director Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____

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