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29 August 2019

## **AFC Energy PLC**

("AFC Energy" or the "Company")

### **Successful Electrode Results Strengthen De Nora and AFC Energy's Commitment to Joint Development Agreement**

AFC Energy (AIM: AFC), a leading provider of hydrogen power generation technologies, today confirms it has strengthened its commercial relationship with Industrie De Nora S.p.A ("De Nora") with the signing of the next phase of the Joint Development Agreement, setting updated targets for mass manufacture in advance of commercial deployment.

#### **Highlights**

- To date, AFC Energy's Joint Development Agreement ("JDA") with De Nora has delivered material non-dilutive investment and success in the form of proprietary efficient cathodes advancing the longevity and performance of the AFC Energy fuel cell system.
- The advances in performance achieved by De Nora's electrode will enable AFC Energy's deployment of hydrogen power generation systems in key addressable markets, including EV charging and diesel generation displacement.
- Following recent successful electrode performance testing with prolonged longevity, De Nora has agreed to extend its JDA with AFC Energy underlying its commitment to the electrode development for AFC Energy's fuel cell with the parties agreeing (i) specific cost and operational targets, (ii) confirmation of a scaled up 4-year electrode life (building on recent results) and (iii) a mass electrode manufacturing capability, which together will significantly reduce the levelised cost of energy for AFC Energy's fuel cell systems.
- Majority of targets scheduled to be met within the first twelve (12) months of the agreement.

Since signing the original JDA in August 2016, De Nora and AFC Energy have successfully collaborated in driving the performance of fuel cell electrodes forward against initially defined operating criteria. The extension to the JDA announced today will build on these successes, focussing on further opportunities for electrode performance enhancement and creating the right commercial environment for mass electrode manufacturing.

At present, De Nora has confirmed it has the ability to supply requested electrode delivery for the initial placement and commercialisation of AFC Energy's fuel cell system, including the EV charger demonstration, expected to be delivered in Q4 2019.

Luca Buonerba, Chief Marketing and Business Development Officer at De Nora, said "Supporting the emergence of hydrogen as one of the enabling factors of the energy transition towards the full decarbonisation of the planet is a key growth driver for De Nora. Our collaboration with AFC Energy is a key part of that strategy. Over the past few years, De Nora has invested substantial resources into the development of a commercially viable alkaline electrode tailored to AFC Energy's requirements, exploiting the deep IP and know how deriving from our market leading position in other industries and decades of R&D. The results achieved by the two teams over the past three years fully backs our collective investment in delivering a commercial electrode technology to springboard the emergence of AFC Energy's fuel cell technology into today's and tomorrow's energy market."

Adam Bond, Chief Executive Officer at AFC Energy, said “Our collaboration with De Nora has delivered many successes over the past three years and it is with great excitement and anticipation that we have agreed to strengthen our commercial relationship through the extended JDA today. AFC Energy and its shareholders have benefited greatly from our relationship with De Nora who have evidenced why they are market leaders in the electro-chemistry industry. We look forwards to working even more closely with De Nora and evolve the technical collaboration into a successful long-term commercial partnership with them.”

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**About AFC Energy**

AFC Energy plc is commercialising a scalable alkaline fuel cell system, to provide clean electricity for on and off grid applications. The technology, pioneered over the past twelve years in the UK, is in the process of being deployed in industrial gas plants for grid generation, as an alternative to diesel generators for localised power, in energy storage systems and as the power source for local electricity needs.

**About De Nora**

De Nora is an Italian multinational leader in sustainable technologies, that offers energy saving products and water treatment solutions. Globally De Nora is the pre-eminent provider of electrodes for electrochemical processes (Chlorine & Caustic, Electronics & Surface Finishing, Pools Electro-chlorination, Specialties) and is among the leaders in technologies and processes for filtration and disinfection of water (industrial use, public health, marine water and wastewater). The Company has grown internally through continuous innovation and externally with major acquisitions in USA, Japan, England and Italy. It serves clients in 119 countries and has a physical presence in 11 countries worldwide with 23 offices, 13 manufacturing facilities, 3 research & development centres in Italy, USA and Japan. De Nora currently owns 344 patent families with more than 2,000 territorial extensions. For further information, please visit De Nora's website: [www.denora.com](http://www.denora.com)