7 July 2011
Embargoed until 07:00

AFC Energy PLC
("AFC Energy" or the "Company")

Interim Results

AFC Energy (AIM:AFC), a world leading developer of alkaline fuel cells, is pleased to announce its Interim results for the six month period ended 30 April 2011.

Highlights for the half year and period to end June 2011

- Commissioning of first Beta system
- On track to deliver its commercial-scale Beta system once the HAZOP study is successfully complete
- Further positive independent technology review
- First patent granted
- Cash balance 30 April 2011: £3.65 million (30 April 2010: 2.68 million)
- Further £3.95 million inflow from share placing on 27 May 2011
- Memorandum of Understanding ("MOU") signed with John Lewis
- Heads of Terms signed with N_2telligence

Tim Yeo, Chairman of AFC Energy commented "AFC Energy has continued to make excellent progress with its technical development over the last few months and this has been independently verified by Dr John Helliwell at the Centre for Process Innovation. In addition we are pleased to have been awarded our first patent. During the second half of this year we expect to begin testing our Beta system which will enable us to progressively refine the system for commercialisation. The wide range of potential applications for this low cost fuel cell system has been underlined once again by the additional agreements signed recently with John Lewis and N_2telligence and the Board continues to look to the future with confidence".

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About AFC Energy

AFC Energy is a world leading developer of low-cost alkaline fuel cell systems that use hydrogen to produce clean electricity, heat and water. AFC Energy's technology is focused on large-scale industrial applications and the objective of producing the lowest possible unit cost electricity. Please visit our website at www.afcenergy.com.

- High efficiency levels: using readily available hydrogen and air as the source of oxygen, electrical efficiency is up to 60% which compares to around 30% for conventional electricity generating technology.
- Low cost production: fabricating with low cost materials combined with industrially proven production processes.
- Low temperature and pressure: operating at less than 100 degrees Celsius enables us to use polymer mouldings for many parts.
- Hydrogen sealing: operating at low pressure, hydrogen is readily sealed within the system.
- Thermal management: a circulating liquid electrolyte simplifies the thermal management of the system.
- Balance of plant: the majority of components are off-the-shelf and mass manufactured for other uses enabling us to benefit from these economies of scale.
- Value engineered for assembly: the component count has significantly reduced and commercial units are designed for easy assembly.

AFC Energy has significantly reduced the cost of its technology to make its fuel cell system a commercially compelling proposition.

Chairman's Statement

Overview

The Company has made further steady progress over the last few months towards its goal of commercialising its low cost alkaline fuel cell system.

AFC Energy has constructed and successfully completed the first stage of commissioning of its Beta Fuel Cell System on site at Dunsfold, Surrey and expects shortly to have finished the necessary HAZOP study to be able to deploy a Beta unit in the field for testing. The HAZOP study is very rigorous and while it will have taken slightly longer than expected, the board of directors of the Company (the "Board") believes it will have long term benefits in terms of partner confidence and commercial deployment of future systems.

Ahead of this important period for AFC Energy, the opportunity was taken to raise a further £3.95 million by way of placing new ordinary shares in the Company in order to increase the testing of the Company's commercial fuel cell systems, including the expansion of operating premises. The proceeds are also expected to provide working capital well into 2013. The pro-forma net cash position at the end of the half year was £3.65 million and at the date of this report is £7.00 million. The Company continues to exercise close control over its on-going cash expenditure.

The Board was delighted that Linc Energy, which already held 10% of the ordinary shares in the Company, participated fully in the placing to the extent that it raised its holding to 12%. The Company views this as a vote of confidence from a significant shareholder.

Further evidence that there are a wide range of opportunities for deployment of AFC Energy's fuel cell system outside of the chlorine or coal industries – the Company's initial target markets - was provided by the agreements signed with both John Lewis Partnership and N_2telligence. The MoU with John Lewis Partnership in particular provides evidence of the serious approach many organisations are taking with respect to reducing their carbon emissions, and, the important role that new and economically viable technology has to play in helping them achieve this goal.

Technical Review and Progress

AFC Energy's technical progress is independently reviewed by the Centre for Process Innovation ("CPI"). As reported on 16 June 2011, in summary, the CPI's report states that there have been a number of significant developments since its previous review from November 2010. It reported that the Company has:

- Produced a top level technology strategy for the next three years and linked all of its sub-plans and control systems to it;
- Frozen the basic design of its fuel cell system. The Beta System concept allows optimisation of individual components without the need to introduce major system changes. According to CPI it also, quite clearly, provides the scalability that the Company needs.
- Developed electrolyte, fuel and oxidant handling systems which have the potential to be very low cost.
- Significantly improved its electrode performance without impacting on the overall design of the Beta system. CPI believes that the new designs will also enable the company to produce more durable systems. The development fits the Company ethos of using existing volume processing methods wherever possible;

- Developed a comprehensive cost model based upon a bill of materials enabling it to gain detailed understanding of its cost base over time. In discussions with the technical team, CPI found that all team leaders were familiar with the cost model, how it worked, the numbers it contained and the future cost predictions that could be obtained from it. Further, they were all clearly using it as a tool to assess whether a particular development made sense, not only from a technology point of view, but also from a cost point of view.

- Assessed the barriers to CE-accreditation and CPI has seen no major issues with the control and electronics aspects of the system and is highly encouraged by the moves towards CE-accreditation: further evidence of a clear focus on commercialisation.

- Conducted a "freedom to operate" intellectual property search which demonstrates that it has a real opportunity to establish a commanding presence in the area of fuel cell technology.

- Improved information systems. It was quite clear during the review process that the quality of information available on the development plans, costs, technical milestones and other areas of the business was significantly higher than in previous visits. The information systems within the business are now greatly improved and the Company is clearly maturing as it grows.

Intellectual Property

To date, 12 families of patents have been filed by the Company and are actively proceeding towards grant decision, which can take several years in each case. The Board is pleased to report that it has been awarded the grant of its first patent and is confident that it will secure the grant of additional patents relating to its core technology in due course.

The Company regularly reviews its technical developments to determine whether it has made patentable inventions.

Outlook

AFC Energy has continued to make excellent progress with its technical development over the last few months and this has been independently verified by Dr John Helliwell at the Centre for Process Innovation. The wide range of potential applications, a strategic benefit of AFC Energy's low cost fuel cell system, has once again been underlined by the agreements signed recently with John Lewis Partnership and N_2telligence.

During the second half of this year AFC Energy expects to begin testing the Beta system in the field; this will enable the progressive refining of the fuel cell system for commercialisation. The Board looks forward to reporting on the further progress made as the Company transitions towards commercialisation, and continues to look to the future with confidence.

Management and Board

Ed Wilson, who was appointed as Managing Director in February 2011 resigned in May 2011. The Company was sorry to lose him and was grateful for the valuable contribution during his time at AFC Energy which dated back to the middle of 2010.

The Company is currently in the process of recruiting an experienced CEO to lead it through the next phase of its development.

There continues to be a tremendous team effort at AFC Energy aimed at completing the commissioning of the first Beta fuel cell system, engaging commercial partners and establishing the manufacturing and assembly route for the anticipated roll out phase. I would like to extend my thanks on behalf of the Board to everyone working towards the Company's success.

Tim Yeo
Chairman
7 July 2011

FINANCIAL REVIEW

During the six months to 30 April 2011, post-tax losses were £1.83 million (30 April 2010: £1.25 million). The increase in operating loss is attributable to a planned increase in expenditure relating to the further strengthening of the technical team, expansion of the facilities at Dunsfold and the construction of the Company's first two Beta systems. In addition there was an accounting (non-cash) profit charge for options and warrants previously issued. On a like-for-like basis, excluding this charge, the post-tax loss was £1.46 million (30 April 2010: £1.12 million).

The net cash outflow from operating and investing activities in the six months to 30 April 2011 was £1.69 million (30 April 2010: £1.37 million).

The cash balance at 30 April 2011 was £3.65 million (30 April 2010: £2.68 million).

On 27 May 2011, after the end of the reporting period, the Company raised a further £4.0 million gross (£3.95 million net of expenses) by way of a placing of 9,999,555 shares at a price of 40 pence per share. The new shares were admitted for trading on 4 July 2011. The cash raised, along with the cash available at the end of April, will be used for the continued scale up of the Company's low cost fuel cell system and the expansion of operating premises as we move closer to commercialisation.

The Board of AFC Energy does not intend to declare a dividend in respect of this period.

Income statement	Note	Six months to 30 April 2011 £ Unaudited	Six months to 30 April 2010 £ Unaudited	Year to 31 October 2010 £ Audited
Revenue		7,970	50,000	180,607
Cost of sales		-	-	-
Gross profit/(loss)		7,970	50,000	180,607
Other Income		-	-	3,996
Administrative expenses		(2,007,774)	(1,436,070)	(3,236,371)
Analysed as:				
Administrative expenses		(1,645,092)	(1,306,151)	(2,708,666)
Equity-settled share-based payments		(362,682)	(129,919)	(527,705)
Operating loss		(1,999,804)	(1,386,070)	(3,051,768)
Financial income		12,358	16,247	30,461
Share of profit/(loss) of Associate		4,580	(9,736)	(17,781)
Loss before taxation		(1,982,866)	(1,379,558)	(3,039,088)
Taxation	3	156,995	126,688	250,358
Loss for the financial year and total comprehensive loss attributable to owners of the Company		(1,825,871)	(1,252,870)	(2,788,730)
Basic loss per share	4	(1.05)p	(0.92)p	(1.88)p

All amounts relate to continuing operations.

Statement of Financial Position	Note	30 April 2011	30 April 2010	31 October 2010
Non-current assets		**£**	**£**	**£**
		Unaudited	Unaudited	Audited
Intangible assets	**5**	332,225	309,883	318,851
Property, plant and equipment	**6**	755,915	461,812	632,657
		1,088,140	771,695	951,508
Current assets				
Work in progress		123,740	123,740	123,740
Trade and other receivables	**7**	733,947	631,542	527,992
Cash and cash equivalents		3,652,599	2,676,652	5,345,716
		4,510,286	3,431,934	5,997,448
Total assets		5,598,426	4,203,629	6,948,956
Equity and liabilities				
Equity attributable to shareholders				
Share capital	**8**	173,339	150,873	173,339
Share premium		15,044,217	11,100,183	15,044,217
Other reserves		1,492,695	732,227	1,130,013
Retained loss		(11,600,969)	(8,239,237)	(9,775,097)
Total equity		5,109,282	3,744,046	6,572,472
Current liabilities				
Trade and other payables	**9**	489,144	459,583	376,484
Total equity and liabilities		5,568,426	4,203,629	6,948,956

Cash flow statement	Six months to 30 April	Six months to 30 April	Year to 31 October
	2011	**2010**	**2010**
Cash flows from operating activities	**£**	**£**	**£**
	Unaudited	Unaudited	Audited
Loss before tax for the period	(1,982,866)	(1,379,558)	(3,039,088)
Adjustments for:			
Depreciation and amortisation	181,302	168,854	284,173
Loss on disposal of plant and equipment		-	2,765
Equity-settled share-based payment expenses	362,682	129,919	527,705
Finance income	(12,358)	(16,247)	(30,461)
Share of (profit)/loss of Associate	(4,580)	9,736	17,781
Cash flows from operating activities before changes in working capital and provisions	(1,455,820)	(1,087,296)	(2,237,125)
Corporation tax received			220,643
Decrease/(increase) in trade and other receivables	(43,251)	(82,099)	(83,565)
(Decrease)/increase in trade and other payables	112,659	140,158	57,059
Cash absorbed by operating activities	(1,386,412)	(1,029,237)	(2,042,988)
Cash flows from investing activities			
Purchase of plant and equipment	(294,299)	(351,296)	(630,543)
Acquisition of patents	(23,635)	(10,657)	(29,308)
Interest received	11,229	16,247	30,461
Net cash absorbed by investing activities	(306,705)	(345,706)	(629,390)
Cash flows from financing activities			
Proceeds from the issue of share capital	-	2,319,000	6,344,519
Share issue costs	-	(136,006)	(195,025)
Net cash from financing activities	-	2,182,994	6,149,494
Net (decrease)/increase in cash and cash equivalents	(1,693,117)	808,051	3,477,115
Cash and cash equivalents at the beginning of the period	5,345,716	1,868,601	1,868,601
Cash and cash equivalents at the end of the period	3,652,599	2,676,652	5,345,716

Statement of Changes in Equity

	Share capital £ Audited	Share premium £ Audited	Other reserve £ Audited	Retained loss £ Audited	Total £ Audited
Balance at 1 November 2009	127,683	8,940,379	602,308	(6,986,367)	2,684,003
Loss after tax for the year	-	-	-	(2,788,730)	(2,788,730)
Total recognised income and expense for the period	-	-	-	(2,788,730)	(2,788,730)
Issue of equity shares	45,656	6,298,863	-	-	6,344,519
Share issue expenses	-	(195,025)	-	-	(195,025)
Equity-settled share-based payments	-	-	527,705	-	527,705
Balance at 31 October 2010	173,339	15,044,217	1,130,013	(9,775,097)	6,572,472

	Share capital £ Unaudited	Share premium £ Unaudited	Other reserve £ Unaudited	Retained loss £ Unaudited	Total £ Unaudited
Balance at 1 November 2010	173,339	15,044,217	1,130,013	(9,775,097)	6,572,472
Loss after tax for the period	-	-	-	(1,825,871)	(1,825,871)
Total recognised income and expense for the period	-	-	-	(1,825,871)	(1,825,871)
Equity-settled share-based payments	-	-	362,682	-	362,682
Balance at 30 April 2011	173,339	15,044,217	1,492,695	(11,600,96	5,109,282

	Share capital £ Unaudited	Share premium £ Unaudited	Other reserve £ Unaudited	Retained loss £ Unaudited	Total £ Unaudited
Balance at 1 November 2009	127,683	8,940,379	602,308	(6,986,367)	2,684,003
Loss after tax for the period	-	-	-	(1,252,870)	(1,252,870)
Total recognised income and expense for the period	-	-	-	(1,252,870)	(1,252,870)
Issue of equity shares	23,190	2,295,810	-	-	2,319,000
Share issue expenses	-	(136,006)	-	-	(136,006)
Equity-settled share-based payments	-	-	129,919	-	129,919
Balance at 30 April 2010	150,873	11,100,183	732,227	(8,239,237)	3,744,046

Share capital is the amount subscribed for shares at their nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of these shares net of share issue expenses.

Other reserve represents the credit to equity in respect of equity-settled share-based payments.

Retained loss represents the cumulative loss of the Company attributable to equity shareholders.

Notes forming part of the interim financial statements

1 *Significant accounting policies*

Details of the significant accounting policies are set out below:

a ***Basis of preparation***

The interim results for the six months ended 30 April 2011 are unaudited. The interim results have been drawn up using the accounting policies and presentation consistent with those disclosed and applied in the annual report and accounts for the year ended 31 October 20010. The comparative information contained in the report does not constitute the accounts within the meaning of S240 of the Companies Act 1985 and section 435 of the Companies Act 2006. The accounting policies used in the interim statement are consistent with those used in the financial statements for the year ended 31 October 2010 and are in accordance with International Financial Reporting Standards.

b ***Revenue***

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and other sales taxes or duty. Revenue arising from the provision of services is recognised when and to the extent that the Company obtains the right to consideration in exchange for the performance of its contractual obligations.

c ***Development costs***

Development expenditure does not meet the strict criteria for capitalization under IAS38 and has been recognised as an expense.

d ***Intangible assets***

Expenditure on research activities is recognised in the income statement as an expense as incurred.
Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and impairment losses.

Amortisation of intangible assets is charged using the straight-line method to administrative expenses over the following period:
Patents 20 years

e ***Property, plant and equipment***

Property, plant and equipment are stated at cost less accumulated depreciation and impairment charges. Depreciation is charged to the income statement within cost of sales and administrative expenses on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

– Leasehold improvements	1 to 3 years
– Fixtures, fittings and equipment	1 to 3 years
– Vehicles	3 to 4 years

f ***Leases***

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are reflected in profit or loss. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term. Operating lease rentals are charged to income in equal annual amounts over the lease term.

g ***Taxation***

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or recoverable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date together with any adjustment to tax payable in respect of previous years.

Deferred tax assets are not recognised due to the uncertainty of the period over which they will be recovered.

h ***Equity-settled share-based payments***

Certain employees (including Directors and senior executives) of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (‘equity-settled transactions’).

The fair value is determined by an external valuer using an appropriate pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (‘the vesting date’). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company’s best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied. Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified. An additional expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

i ***Financial Assets***

All of the Company’s financial assets are loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets at fair value and comprise trade and other receivables and cash and cash equivalents.

2 **Segmental Analysis**

The Company operated in the year in one operating segment, the development of fuel cells, and in two principal geographic areas, the United Kingdom and Australia but also conducted some system tests at AkzoNobel’s site in Bitterfeld, Germany. All revenue was derived from one customer in Australia

3 **Taxation**	**Six months to 30 April 2011**	**Six months to 30 April 2010**	*Year to 31 October* **2010**
	£	**£**	**£**
Recognised in the income statement:	Unaudited	Unaudited	Audited
Research and development tax credit – current year	156,995	126,688	258,076
Research and development credit – prior year adjustment	-	-	(7,718)
Total tax credit	156,995	126,688	250,358

Reconciliation of effective tax rates

Loss before tax	(1,982,866)	(1,379,558)	(3,039,088)
Domestic rate of corporation tax	27.7%	28%	28%
Tax using domestic rates of corporation tax	549,254	386,276	850,945
Effect of:			
Expenses not deductible for tax purposes	102,793	39,551	156,239
Research and development allowance	(133,126)	(108,590)	(221,208)
Research and development tax credit	156,995	126,688	258,076
Depreciation in excess of capital allowances	1,421	(11,477)	9,410
Losses surrendered for research and development	310,626	253,376	516,152
Other adjustments	-	-	-
Unutilised losses carried forward	267,547	213,416	390,352
	156,995	126,688	250,358

4 **Loss per share**	**Six months to 30 April**	*Six months to 30 April*	*Year to 31 October*
	2011	**2010**	**2010**
	Unaudited	Unaudited	Audited

The calculation of the basic loss per share is based on the net loss after tax attributable to the ordinary shareholders of £1,825,871 (30 April 2010: loss of £1,252,870; 31 October 2010: loss of £2,788,730) and a weighted average number of shares in issue for the period 1 November 2010 to 30 April 2011 of 173,339,207 (six months to 30 April 2010: 136,336,909; year to 31 October 2010: 148,396,520).

Loss per share	(1.05)p	(0.92)p	(1.88)p

Diluted loss per share

The diluted loss per share is the same as the basic loss per share, as the loss for the six months ended 30 April 2011 has an anti-dilutive effect.

5 Intangible assets

	Patents
	£
	Unaudited
Cost	
At 31 October 2009	368,403
Additions	10,657
At 30 April 2010	379,060
Additions	18,651
At 31 October 2010	397,711
Additions	23,635
At 30 April 2011	421,346
Amortisation	
At 31 October 2009	59,878
Charge for the period	9,300
At 30 April 2010	69,178
Charge for the period	9,682
At 31 October 2010	78,860
Charge for the period	10,261
At 30 April 2011	89,121
Net book value	
At 30 April 2011	332,225
At 30 April 2010	309,883
At 31 October 2010	318,852

6 Property, plant and equipment

	Leasehold improvements	Fixtures, fittings and equipment	*Total*
	£	*£*	*£*
	Unaudited	Unaudited	Unaudited
Cost			
At 31 October 2009	150,152	706,379	856,531
Additions	16,900	334,396	351,296
At 30 April 2010	167,052	1,040,776	1,207,828
Additions	2,920	276,326	279,246
Re-classification	14,037	(14,037)	-
Disposals	-	(48,788)	(48,788)
At 31 October 2010	184,009	1,254,278	1,438,286
Additions	26,025	268,274	294,299
At 30 April 2011	210,033	1,522,554	1,732,587
Depreciation			
At 31 October 2009	143,258	443,204	586,462
Charge for the period	13,486	146,068	159,554
At 30 April 2010	156,744	589,272	746,016
Charge for the period	(10,346)	115,983	105,637
Re-classification	10,672	(10,672)	-
Disposals	-	(46,023)	(46,023)
At 31 October 2010	157,070	648,560	805,630
Charge for the period	10,542	160,499	171,041
At 30 April 2011	167,612	809,059	976,672
Net book value			
At 30 April 2011	42,422	713,493	755,915
At 30 April 2010	10,308	451,504	461,812
At 31 October 2010	26,939	605,718	632,657

7 Trade and other receivables

	30 April 2011	*30 April* **2010**	*31 October* **2010**
	£	£	£
	Unaudited	Unaudited	Audited
Trade receivables	400	300	391
Other receivables	634,985	558,709	468,442
Prepayments	98,562	72,533	59,159
	733,947	631,542	527,992

8	**Share capital**	**30 April 2011**	*30 April* **2010**	*31 October* **2010**
		£	£	£
		Unaudited	Unaudited	Audited
	Issued			
	173,339,207 Ordinary shares of 0.1p each	173,339	150,873	173,339

9	**Trade and other payables**	**30 April 2011**	*30 April* **2010**	*31 October* **2010**
		£	£	£
		Unaudited	Unaudited	Audited
	Trade payables	221,265	241,230	139,743
	Deferred income	123,740	123,740	123,740
	Other payables	63,562	34,033	35,064
	Accruals	80,577	60,579	77,937
		489,144	459,582	376,484

Post Balance Sheet Events

On 27 May 2011, the Company raised a further £4.0 million gross (£3.95 million net of expenses) by way of a placing of 9,999,555 shares at a price of 40 pence per share. The new shares were admitted for trading on 4 July 2011.

Related-party Transactions

During the six months ended 30 April 2011:

- £12,623 (plus VAT) was invoiced by Cornerstone Capital Ltd (a company registered in England & Wales) for services of Simon Hunt as a Director of AFC Energy plc (2010: £ nil). Mr Hunt is also a Director and shareholder of Cornerstone Capital Ltd. At 30 April 2011, the sum owing to Cornerstone Capital Ltd was nil (2010: £ nil).

- £25,400 (plus VAT) was invoiced by Parilis Ltd (a company registered in England & Wales) for services including Edward Wilson as a Director of AFC Energy plc (2010: £ nil). Mr Wilson is also a Director and shareholder of Parilis Ltd. At 30 April 2011, the sum owing to Parilis Ltd was £3,413 (2010: £ nil).

- £2,083 (plus VAT) was invoiced by Richards & Appleby Ltd (a company registered in England & Wales) for services of Mitchell Field as a Director of AFC Energy plc (2010: £ nil). Mr Field is also a Director and shareholder of Richards & Appleby Ltd. At 30 April 2011, the sum owing to Richards & Appleby Ltd was £2,083 (2010: £ nil).

- £46,826 (plus VAT) was invoiced by Hudson Raine Ltd (a company registered in England & Wales) for services including David Marson as a Director of AFC Energy plc (2010: £23,146). Mr Marson is also a Director and shareholder of Hudson Raine Ltd. At 30 April 2011, the sum owing to Hudson Raine Ltd was £14,263 (2010: £23,146).

- £89,000 (plus VAT) was invoiced by Cranwood Management Ltd (a company registered in England & Wales) for consultancy services (2010:£100,000). The company is owned by Adam White. Members of Mr White's family are nominated beneficiaries of the Age of Reason Foundation, which is a major shareholder in the Company. At 30 April 2011, the sum owing to Cranwood Ltd was £19,000 (2010: £10,000).

Publication of Non-Statutory Accounts

The financial information contained in this interim statement does not constitute accounts as defined by the Companies Act 2006. The financial information for the preceding period is based on the statutory accounts for the year ended 31 October 2010. Those accounts, upon which the auditors issued an unqualified opinion, have been delivered to the Registrar of Companies.

Copies of the interim statement may be obtained from the Company Secretary, AFC Energy PLC, Unit 71.4 Dunsfold Park, Cranleigh, Surrey GU6 8TB, and can be accessed from the company's website at www.afcenergy.com.